

38,1980

2 -

OF 1980

No.

of 1979

In the Privy Council

ON APPEAL

FROM THE COURT OF APPEAL OF HONG KONG

BETWEEN

CHEUNG SO YIN KAY *Appellant*

and

THE CHARTERED BANK HONG KONG
TRUSTEE LIMITED *Respondent*

RECORD OF PROCEEDINGS

CHOW & HOWELL

Solicitors for the Appellant

Cameron Markby
Moor House
London Wall
EC2Y 5NE

KENNEDYS
20 Ropemaker Street
London EC2
Solicitors for the Respondent

Solicitor for the Appellant

38,1980

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DEACONS
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RECORD OF PROCEEDINGS

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Copy Estate Duty Affidavit in the Estate of Cheung Man Loi - - - - -	2nd March 1955
Copy Grant of Probate of the Will of Cheung Man Loi (or Loy) alias Cheung Loi (or Loy)	20th March 1956
Copy Death Certificate of Cheung Loy alias Cheung Man Loy - - - - -	24th September 1956
Cheque counterfoil for cheque No. A072079 - - - - -	26th April 1959
Copy Receipt for \$2,000 signed by Kam Hing Land Investment Co. Ltd. - - - - -	2nd June 1959
Cheque counterfoil for cheque No. A072080 - - - - -	2nd June 1959
Receipt for \$92,999.80 - - - - -	2nd June 1959
Remaining part of the Agreement between Factories Agency (HK) Ltd. and Cheung Wood Lun - - - - -	5th June 1959
Copy Bill of costs of Messrs. F. Zimmern & Co. for \$183.00 - - - - -	11th June 1959
Copy receipt for \$100 signed by Messrs. F. Zimmern & Co. - - - - -	11th June 1959
Copy Bill of Costs for \$3,280.00 of Messrs. F. Zimmern & Co. - - - - -	2nd February 1961
Copy receipt for \$1,700.00 signed by Messrs. F. Zimmern & Co. - - - - -	2nd February 1961
Copy letter from Cheung Wood Lun to Messrs. F. Zimmern & Co. - - - - -	2nd February 1961
Copy Land Office record re Flats C1 and C4, 2nd Floor Great George Building - - - - -	—
Copy receipt for water meter from Paterson Service Co. Ltd. in respect of Flat C-4, Great George Building - - - - -	6th February 1961
Copy receipt No. 2428 for water meter of Kum Hing Land Investment Co. Ltd. in respect of Flat C-1, 2nd Floor, Great George Building - - - - -	6th February 1961
Hing Land Investment Co. Ltd. in respect of Flat C-1, 2nd Floor Great George Building	6th February 1961
Copy receipt No. B2167 of Paterson Service Co. Ltd. in respect of Flat C-1, 2nd Floor, Great George Building - - - - -	6th February 1961
Copy receipt No. 2545 for service charge of Paterson Service Co. Ltd. re Flat C4, Great George Building - - - - -	6th February 1961
Copy receipt for Rates on Flat C1, 2nd Floor, Great George Building for quarter ending 1/6/61 - - - - -	1st June 1961

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Cheque counterfoil for cheque No. A281037 - - - - -	6th April 1964
Copy receipt for \$320,000 signed by Messrs. P. C. Woo & Co. - - - - -	6th April 1964
Copy Bank Statement of Account of Madam So Hung with The Bank of Canton Ltd. -	30th April 1964
Copy duplicate Rates Notices for 2nd quarter 1964 and receipts for payment re 6 and 7 Canal Road East - - - - -	June 1964
Copy statement of account of Madam Cheung So Yin Kay with the Bank of East Asia Ltd. - - - - -	29th August 1964
Copy receipt for \$80.00 signed by Messrs. P. C. Woo & Co. - - - - -	18th November 1964
Specimen Card of Fixed Savings A/c No. 12198 with Liu Chong Hing Bank Ltd. - - -	12th January 1965
Statements of Account of Fixed Savings A/c No. 12198 - - - - -	12th January 1965
Copy notice of Assessment and Demand for Property tax for year ending 31/3/65 with receipt for payment re 6 Canal Road East - - - - -	31st March 1965
Five Withdrawal Slips of Fixed Savings A/c No. 12198 - - - - -	20th March 1965
Treasury Form RF 10 - - - - -	7th April 1967
Copy letter from Messrs. Lo & Lo to Doreen So Shuk Sze - - - - -	19th April 1967
Remaining part of the Estate Duty Affidavit by Doreen So Shuk Sze (B(2)) - - - -	24th April 1967
Estate Duty receipt - - - - -	27th April 1967
Copy letter from Messrs. Lo & Lo to The Treasury - - - - -	1st May 1967
Copy letter from Messrs. Lo & Lo to Doreen So Shuk Sze - - - - -	24th June 1967
Copy Renunciation signed by Doreen So Shuk Sze - - - - -	4th July 1967
Photocopy letter from Messrs. Lo and Lo acknowledging receipt of title deeds from the deceased's Widow - - - - -	4th July 1967
Copy letter from Messrs. Lo & Lo to Crown Lands & Survey - - - - -	3rd November 1967
Copy letter from Messrs. Lo & Lo to the Estate Duty Office - - - - -	3rd November 1967
Letter from Inland Revenue to Messrs. Lo & Lo - - - - -	9th November 1967
Letter from Inland Revenue to Messrs. Lo & Lo - - - - -	12th December 1967
Copy letter from Messrs. Lo & Lo to Estate Duty Office - - - - -	28th December 1967
Letter from Inland Revenue to Messrs. Lo & Lo - - - - -	16th February 1968
Copy letter from Messrs. Lo & Lo to Estate Duty Office - - - - -	24th April 1968

<i>Description of Documents</i>	<i>Date</i>
Letter from Registrar General's Dept. to Messrs. Lo & Lo - - - - -	24th April 1968
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Letter from Inland Revenue to Messrs. Lo & Lo - - - - -	8th January 1969
Copy letter from Messrs. Lo & Lo to Plaintiff - - - - -	4th February 1969
Copy letter from Messrs. Lo & Lo to Estate Duty Office - - - - -	5th February 1969
Letter from Inland Revenue to Messrs. Lo & Lo - - - - -	26th February 1969
Copy letter from Messrs. Lo & Lo to Estate Duty Office - - - - -	6th March 1969
Receipt of Estate Duty Office for estate duty - - - - -	7th March 1969
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Letter from Inland Revenue to Messrs. Lo & Lo - - - - -	17th April 1969
Letter from Plaintiff to Messrs. Lo & Lo - - - - -	3rd May 1969
Copy letter from Messrs. Lo & Lo to Estate Duty Office - - - - -	9th June 1969
Copy letter from Messrs. Lo & Lo to Crown Lands & Survey - - - - -	9th June 1969
Copy letter from Land Office to Plaintiff - - - - -	27th June 1969
Letter from Plaintiff to Messrs. Lo & Lo - - - - -	10th July 1969
Copy letter from Messrs. Lo & Lo to Crown Lands & Survey - - - - -	24th July 1969
Letter from Doreen S. S. Cheung to Messrs. Lo & Lo undated - - - - -	—
Copy letter from Messrs. Lo & Lo to Doreen S. S. Cheung - - - - -	6th August 1969
Certificate of Assessment of Estate - - - - -	12th August 1969
Letter from Inland Revenue to Messrs. Lo & Lo - - - - -	15th August 1969
Copy letter from Messrs. Lo & Lo to Estate Duty Office - - - - -	29th August 1969
Copy letter from Messrs. Lo & Lo to Plaintiff - - - - -	29th August 1969
Copy letter from Messrs. Lo & Lo to Hong Kong Bank - - - - -	2nd September 1969
Copy letter from Messrs. Lo & Lo to Doreen S. S. Cheung - - - - -	2nd September 1969
Copy letter from Messrs. D. Cheung to the Plaintiff - - - - -	2nd September 1969
Copy Certificate of Receipt of Estate Duty ED 435/67 - - - - -	2nd September 1969
Copy letter from Plaintiff to Water Authority - - - - -	15th October 1969

<i>Description of Documents</i>	<i>Date</i>
Copy letter from Messrs. Lo & Lo to Land Office - - - - -	28th October 1969
Letter from Land Office to Messrs. Lo & Lo - - - - -	1st December 1969
Letter from Doreen Cheung to Messrs. Lo & Lo - - - - -	16th December 1969
Copy letter from Messrs. Lo & Lo to Land Office - - - - -	27th December 1969
Letter from Land Office to Messrs. Lo & Lo - - - - -	4th February 1970
Letter from Land Office to Messrs. Lo & Lo - - - - -	25th February 1970
Letter from Land Office to Messrs. Lo & Lo - - - - -	6th March 1970
Copy receipt for Crown Rent re 6 & 7 Canal Road East for first half year ending 24th June 1970 - - - - -	24th June 1970
Copy letter from A. H. Basto, Architect, to Madam Cheung So Shi - - - - -	10th July 1970
Copy demand and receipt for payment for water meter at Flat C1, 2nd Floor, Great George Building - - - - -	22nd January 1971
Copy demand and receipt for payment of Water Deposit re Flat C1, 2nd Floor, Great George Building - - - - -	22nd January 1971
Copy receipt No. 2555 for service charge of Paterson Service Co. Ltd. in respect of Flat C-1, 2nd Floor, Great George Building - - - - -	6th February 1971
Memorandum - - - - -	26th April 1971
Copy letter from Plaintiff to Mr. Choi Yik Hau - - - - -	7th September 1971
Copy receipt of Incorporated Owners of Great George Building - - - - -	18th December 1971
Copy Affirmation of A. K. W. Lui - - - - -	27th April 1972
Letter from Probate Registry to Messrs. Lo & Lo - - - - -	19th May 1972
Copy letter from Messrs. Lo & Lo to Probate Registry - - - - -	27th June 1972
Letter from Probate Registry to Messrs. Lo & Lo - - - - -	4th July 1972
Copy letter from Messrs. Lo & Lo to Plaintiff and Cheung Shau Ling - - - - -	7th July 1972
Copy letter from Messrs. Lo & Lo to Henry Hu - - - - -	18th July 1972
Copy letter from Messrs. Lo & Lo to Probate Registry - - - - -	6th September 1972
Letter from Probate Registry to Messrs. Lo & Lo - - - - -	14th September 1972
Copy letter from Messrs. Lo & Lo to Doreen S. S. Cheung - - - - -	27th October 1972
Copy letter from Land Office to Messrs. Way & Sun - - - - -	2nd November 1972
Copy letter from Building Authority to Edwin Sun - - - - -	2nd November 1972

<i>Description of Documents</i>	<i>Date</i>
Copy letter from Building Authority to Way & Sun - - - - -	2nd November 1972
Copy letter from Messrs. Lo and Lo to the deceased's Widow - - - - -	20th November 1972
Copy letter from Messrs. Way & Sun to Plaintiff - - - - -	24th November 1972
Copy letter from Incorporated Owners of Great George Building to owner of Flat C-1 -	30th November 1972
Letter from Messrs. Lo and Lo to the deceased's Widow - - - - -	21st December 1972
Letter from Doreen Cheung to Messrs. Lo & Lo - - - - -	3rd January 1973
Copy letter from Messrs. Lo & Lo to Patrick Fung - - - - -	5th January 1973
Letter from Doreen Cheung to Messrs. Lo & Lo - - - - -	12th February 1973
Letter from Messrs. Lo & Lo to Plaintiff - - - - -	16th February 1973
Letter from Doreen S.S. Cheung to Messrs. Lo & Lo - - - - -	16th February 1973
Letter from Messrs. Lo and Lo to the deceased's Widow - - - - -	22nd February 1973
Letter from Doreen Cheung to Messrs. Lo & Lo - - - - -	28th February 1973
Copy letter from Messrs. Lo & Lo to Messrs. Tso & Co. - - - - -	7th March 1973
Copy letter from Messrs. Lo & Lo to Plaintiff - - - - -	8th March 1973
Copy letter from Messrs. Lo & Lo to Plaintiff - - - - -	12th April 1973
Copy letter from Messrs. Lo & Lo to Messrs. Way & Sun - - - - -	26th April 1973
Copy letter from Messrs. Lo & Lo to Plaintiff - - - - -	26th April 1973
Letter from Messrs. Way & Sun to Messrs. Lo & Lo - - - - -	30th April 1973
Letter from Defendant to Messrs. Lo & Lo - - - - -	2nd May 1973
Copy letter from Messrs. Lo & Lo to Plaintiff - - - - -	4th May 1973
Letter from Defendant to Messrs. Lo and Lo - - - - -	2nd May 1973
Letter from Doreen Cheung to Messrs. Lo & Lo - - - - -	17th May 1973
Letter from Doreen Cheung to Messrs. Lo & Lo - - - - -	17th May 1973
Letter from Defendant to Messrs. Lo & Lo - - - - -	25th May 1973
Copy letter from Messrs. Lo & Lo to Defendant - - - - -	31st May 1973
Letter from Defendant's solicitors to Messrs. Lo & Lo - - - - -	8th June 1973
Letter from Building Authority to Messrs. Lo & Lo - - - - -	12th June 1973
Copy letter from Messrs. Lo & Lo to Defendant's solicitors - - - - -	18th June 1973

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Copy letter from Messrs. Lo & Lo to Building Authority - - - - -	18th June 1973
Copies of Court papers lodged on behalf of the deceased's Widow in O.J.M.P. 222 of 1973 relative to application to retract renunciation - - - - -	25th July 1973 to 10th August 1973
Copies of Court papers filed in the Probate Jurisdiction No. 1399 of 1973 to lead to the Grant of Letters of Administration to the Defendant - - - - -	8th October 1973 to 10th August 1973
Copy letter from Director of Public Works to Messrs. Tso & Co. - - - - -	4th July 1973
Letter from Land Officer to Messrs. Tso & Co. - - - - -	16th August 1973
Letter from Messrs. Way and Sun to Defendant - - - - -	20th August 1973
Letter from Defendant's solicitors to Messrs. Lo & Lo - - - - -	21st August 1973
Copy letter from Messrs. Lo & Lo to Plaintiff - - - - -	23rd August 1973
Copy letter from Messrs. Lo & Lo to Defendant's solicitors - - - - -	28th August 1973
Copy letter from Messrs. Tso & Co. to Land Office - - - - -	30th August 1973
Letter from Messrs. Way and Sun to Defendant with attached estimate - - - - -	4th September 1973
Letter from Land Officer to Messrs. Tso & Co. - - - - -	4th September 1973
Copy letter from Messrs. Tso & Co. to Registrar of the Supreme Court - - - - -	14th September 1973
Copy letter from Supreme Court to Messrs. Tso & Co. - - - - -	17th September 1973
Letter from Probate Registry to Messrs. Lo & Lo - - - - -	17th September 1973
Letter from Land Officer to Messrs. Tso & Co. - - - - -	26th September 1973
Copy letter from Messrs. Lo & Lo to Plaintiff - - - - -	28th September 1973
Copy letter from Defendant's solicitors to Estate Duty Office - - - - -	28th September 1973
Letter from Plaintiff to Messrs. Lo & Lo - - - - -	1st October 1973
Letter from Defendant's solicitors to Messrs. Lo & Lo - - - - -	2nd October 1973
Copy letter from Messrs. Lo & Lo to Estate Duty Office - - - - -	5th October 1973
Letter from Messrs. Tso & Co. to Registrar of Supreme Court - - - - -	8th October 1973
Letter from Registrar of the Supreme Court to Messrs. Tso & Co. - - - - -	9th October 1973
Copy letter from Messrs. Tso & Co. to Estate Duty Commissioner - - - - -	17th October 1973
Copy letter from Defendant to Estate Duty Office - - - - -	18th October 1973
Receipt from Estate Duty Commissioner - - - - -	18th October 1973

<i>Description of Documents</i>	<i>Date</i>
Letter from Defendant's solicitors to Messrs. Lo & Lo - - - - -	12th December 1973
Letter from Messrs. Lo & Lo to Plaintiff - - - - -	22nd December 1973
Chinese copy of letter from Cheung So Yin Kay to Cheung So Shuk Sze - - - - -	31st December 1973
Receipt for property tax on 7 Canal Road East for 1973/1974 - - - - -	—
Account of Messrs. Lo & Lo to Plaintiff - - - - -	2nd January 1974
Letter and translation from Plaintiff to Messrs. Lo & Lo - - - - -	9th January 1974
Letter from Messrs. Lo & Lo to Plaintiff - - - - -	14th January 1974
Letter from Defendant's solicitors to Messrs. Lo & Lo - - - - -	17th January 1974
Copy letter from Messrs. Lo & Lo to Defendant's solicitors - - - - -	17th January 1974
Letter from Plaintiff to Messrs. Lo & Lo - - - - -	17th January 1974
Letter from Messrs. Tso & Co. to Plaintiff - - - - -	29th January 1974
Letter from Messrs. Lo & Lo to Plaintiff's solicitor - - - - -	18th February 1974
Copy letter from Plaintiff's solicitors to Messrs. Lo & Lo - - - - -	19th February 1974
Letter from Defendant's solicitors to Plaintiff - - - - -	21st February 1974
Copy letter from Plaintiff to Defendant's solicitors - - - - -	23rd February 1974
Copy letters from Defendant's solicitors to tenants/occupiers of 7, Canal Road East dated 25th February 1974 (four identical letters) - - - - -	25th February 1974
Copy letter from Defendant to Estate Duty Office - - - - -	26th February 1974
Letter from Land Office to Messrs. Tso & Co. - - - - -	5th March 1974
Copy letter from Defendant to Plaintiff's solicitors - - - - -	7th March 1974
Letter from Plaintiff's solicitors to Defendant - - - - -	11th March 1974
Copy letter from Defendant's solicitors to Land Officer - - - - -	12th March 1974
Copy letter from Defendant's solicitors to Messrs. Lo and Lo - - - - -	15th March 1974
Letter from Messrs. Lo and Lo to Defendant's solicitors and attached receipt relative to 6 and 7 Canal Road East allegedly signed by Plaintiff as Executrix of the deceased's Widow and receipt signed by Plaintiff relative to Great George Building flat - - - - -	18th March 1974
Letter from the Plaintiff's solicitors to Defendant - - - - -	18th March 1974
Memorandum from Castle Peak Hospital - - - - -	18th March 1974
Receipt for Rates on Flat C1, 2nd Floor, Great George Building for quarter ending 31/3/74	31st March 1974

<i>Description of Documents</i>	<i>Date</i>
Letter from Land Officer to Defendant's solicitors - - - - -	8th April 1974
Letter from Defendant's solicitors to Plaintiff's solicitors - - - - -	10th April 1974
Copy letter from Director of Public Works to Defendant's solicitors - - - - -	2nd May 1974
Copy letter from Defendant's solicitors to Land Officer - - - - -	10th May 1974
Copy letter from Defendant's solicitors to Director of Public Works - - - - -	13th May 1974
Copy letter from Land Office to Defendant's solicitors - - - - -	15th May 1974
Copy letter from Director of Public Works to Defendant's solicitors - - - - -	16th May 1974
Extract of Land Office records re: Flat C-1, 2nd Floor, Great George Building, resulting from search made on 27th May 1974 - - - - -	27th May 1974
Extract of Land Office records re: 6 and 7 Canal Road East, resulting from search made on 27th May 1974 - - - - -	27th May 1974
Stamped agreement between Land Officer and Defendant - - - - -	28th May 1974 1st June 1974
Debit Note for legal costs relative to Grant of Letters of Administration to the said estate to Defendant and receipt issued to Defendant by Messrs. Tso & Co. - - - - -	30th May 1974
Letter from Estate Duty Office to Defendant - - - - -	31st May 1974
Copy letter from Defendant's solicitors to Land Office - - - - -	4th June 1974
Letter from Estate Duty Office to Defendant - - - - -	13th June 1974
Copy letter from Defendant to Liu Chong Hing Bank - - - - -	25th July 1974
Letter from Manager of Liu Chong Hing Bank to Defendant - - - - -	8th August 1974
Copy letter from Defendant to Manager, Liu Chong Hing Bank - - - - -	13th August 1974
Letter from Liu Chong Hing Bank Limited to Defendant - - - - -	9th September 1974
Copy letter from Defendant to Manager, Liu Chong Hing Bank - - - - -	13th September 1974
Letter from Liu Chong Hing Bank to Defendant - - - - -	19th September 1974
Copy letter from Defendant to Liu Chong Hing Bank Limited - - - - -	26th September 1974
Letter from Manager, Liu Chong Hing Bank to Defendant - - - - -	4th October 1974
Copy letter from Defendant to Manager, Liu Chong Hing Bank - - - - -	8th November 1974
Copy letter from Defendant to Manager, Liu Chong Hing Bank - - - - -	30th November 1974
Copy letter from Defendant's solicitors to Land Officer - - - - -	5th December 1974
Copy letter from Land Office to Defendant's solicitors - - - - -	31st December 1974

<i>Description of Documents</i>	<i>Date</i>
Letter from Manager of Liu Chong Hing Bank to Defendant with photocopies of withdrawal slip concerning withdrawal of \$122,800 on 20th March 1967 - - - - -	15th January 1975
Letter from Land Officer to Defendant's solicitors - - - - -	19th February 1975
Copy letter from Defendant's solicitors to Land Office - - - - -	25th February 1975
Letter from Land Officer to Defendant's solicitors - - - - -	28th February 1975
Stamped copy duplicate of agreement between Defendant and Land Office - - - - -	17th March 1975 24th March 1975
Copy letter to the Land Officer from Defendant's solicitors - - - - -	26th March 1975
Copy letter from Defendant to Manager, Liu Chong Hing Bank - - - - -	9th April 1975
Letter from Liu Chong Hing Bank to Defendant with attached information sheet - - -	29th April 1975
Copy Application Forms to Commissioner of Rating and Valuation completed by Defendant for Certificates of Standard Rent of 7 Canal Road East, ground to 3rd floors (four identical Forms) - - - - -	24th December 1975
Certificate of Standard Rent (Form PR3A) from Commissioner of Rating and Valuation to Defendant dated 5th February 1976 of 7 Canal Road East, ground to 3rd floors (four identical forms) - - - - -	5th February 1976
Notices by Landlord (Form PR4) from Defendant to tenants of 7 Canal Road East, ground to 3rd floors (four identical forms) - - - - -	23rd February 1976
Letter from Director of Public Works to Defendant - - - - -	17th March 1977
Death Certificate of Cheung Ng Lun alias Cheung Wood Lun (hereinafter called "the deceased") - - - - -	17th May 1977
Copy Memorial of Assignment of Flat C1, 2nd Floor, Great George Building - - - -	—
Copy Memorial of Assignment of Flat C4, 2nd Floor, Great George Building - - - -	—
Copy Redevelopment Notice re No. 6 Canal Road East - - - - -	—
Copy Memorial re Redevelopment Order re Nos. 6 and 7 Canal Road East - - - -	—

In the Supreme Court of Hong Kong

High Court

Action No. 1196 of 1974

In the Privy Council

ON APPEAL
FROM THE COURT OF APPEAL OF HONG KONG

BETWEEN
CHEUNG SO YIN KAY ... Appellant
and
THE CHARTERED BANK HONG KONG
TRUSTEE LIMITED ... Respondent

10 RECORD OF PROCEEDINGS

Amended as in red
this 30th day of April,
1977 pursuant to the
Order of Mr. Registrar
O'Dea dated the 28th
day of April, 1977

(Sd.) S. H. MAYO
Registrar

1974 No. 1196

IN THE SUPREME COURT OF HONG KONG
ORIGINAL JURISDICTION
HIGH COURT

Writ issued the 14th day of May, 1974

In the Supreme
Court of
Hong Kong
High Court

No. 1
Amended
Statement of
Claim,
30th April, 1977

BETWEEN :

CHEUNG SO YIN KAY Plaintiff

and

THE CHARTERED BANK
HONG KONG TRUSTEE LIMITED Defendant

20

AMENDED STATEMENT OF CLAIM

1. The Plaintiff is the mother of Cheung Ng Lun, otherwise Cheung Wood Lun, deceased (hereinafter called "the deceased") who died intestate on the 19th day of March 1967. The Defendant is the administrator of the estate of the deceased.

2. By a deed of assignment dated the 5th day of April 1961 there was assigned to the deceased for a consideration of \$49,100 the residue of the

term of the Crown Lease dated the 24th day of December 1865 of 1 equal undivided 280th share of the premises registered in the Land Office as the Remaining Portion of Inland Lot No. 470 and now known as Flat C1, Second Floor, Great George Building, 11 Great George Street, Causeway Bay, Hong Kong (hereinafter called "the flat").

3. By a deed of assignment dated the 15th day of April 1964 there was assigned to the deceased for a consideration of \$320,000 the residue of the term of the Crown Lease dated the 22nd day of April 1890 of the premises registered in the Land Office as Section J of Inland Lot No. 746 and known as houses Nos. 6 and 7 Canal Road East, Hong Kong (hereinafter called "the Canal Road properties").

10

4. The sum of \$49,100 referred to in Paragraph 2 as well as the sum of \$320,000 referred to in Paragraph 3 were both advanced by the Plaintiff, and at all material times it was intended and understood by the Plaintiff and the deceased that "the flat" as well as "the Canal Road properties" were to be held by the deceased in trust for the Plaintiff.

5. In the premises the flat and the Canal Road properties were at all material times held by the deceased and are now held by the Defendant upon a resulting trust for the Plaintiff.

AND THE PLAINTIFF CLAIMS :

20

1. A declaration that the Plaintiff is and was at all material times the beneficial owner of the said terms in the flat and in the Canal Road properties.

2. An order that the Defendant do forthwith assign to the Plaintiff the said terms in the flat and in the Canal Road properties.

3. Such further, consequential or other relief as to the Court appears just or necessary.

(*Sd.*) HAMPTON, WINTER & GLYNN
Solicitors for the Plaintiff

PATRICK S. S. YU

Counsel for the Plaintiff

30

~~Dated the 29th day of October, 1974.~~

Dated the 30th day of April, 1977.

Amended as in red
this 3rd day of June,
1977 pursuant to the
Order of Mr. Registrar
Mayo dated 1st day of
June, 1977

1974 No. 1196

*In the Supreme
Court of
Hong Kong
High Court*

IN THE SUPREME COURT OF HONG KONG
HIGH COURT

(*Sd.*) S. H. MAYO
Registrar

No. 2
Amended
Defence and
Counterclaim,
3rd June, 1977

BETWEEN :

CHEUNG SO YIN KAY

Plaintiff

and

THE CHARTERED BANK
HONG KONG TRUSTEE LIMITED

Defendant

AMENDED STATEMENT OF DEFENCE
AND COUNTERCLAIM

10

1. Paragraph 1 of the **Amended** Statement of Claim is admitted.

2. Paragraphs 2 and 3 of the Amended Statement of Claim are admitted. The deceased, Cheung Wood Lun *alias* Cheung Ng Lun ("the deceased") executed each Deed of Assignment as Assignee and such Deeds contain no provision for any interest therein of the Plaintiff or any other person.

20

3. Paragraph 4 of the Amended Statement of Claim is denied. If, which is not admitted, the Plaintiff advanced the consideration for the purchase of the properties ("the flat" and "the Canal Road properties" as set out in paragraphs 2 and 3 of the Amended Statement of Claim) then the Plaintiff did so by way of gift. In the alternative the consideration was provided by the Plaintiff out of assets derived from the estate of the deceased's father Cheung Loy *alias* Cheung Man Loy who died on 12th November 1954 in which the deceased had an interest under Chinese law and custom.

4. In the premises, paragraph 5 of the Amended Statement of Claim is denied, and the Plaintiff is not entitled to claim any relief as set out in the Statement of Claim.

5. The deceased never at any time made a Declaration of Trust in favour of the Plaintiff relative to the properties or any of them.

30

6. Due to schizophrenic illness the deceased allowed the Plaintiff to collect rentals from the properties on his behalf out of which the Plaintiff paid rates and other outgoings and this state of affairs continued until Letters of

Administration to the estate of the deceased were granted to the Defendant.

7. To enable the Plaintiff to collect rentals and perform other functions relative to the properties, and handle his money, the deceased gave the Plaintiff a Power of Attorney dated June 11th 1959 relative to "the flat" and a General Power of Attorney dated September 22nd 1964.

8. The deceased had at material dates a bank account No. 12198 at the Causeway Bay Branch of Liu Chong Hing Bank Limited. Withdrawals from the said account could be made by the use of a chop. Following the death of the deceased without lawful authority or excuse the Plaintiff withdrew from the said bank account \$122,800 on or about 20th March 1967 by using the deceased's said chop. 10

9. All the title deeds relative to the properties were delivered to Messrs. Lo and Lo on 4th July 1967 by the widow of the deceased in the presence of the Plaintiff and a receipt for the same was issued by Messrs. Lo and Lo to the deceased's said widow.

10. Without the authority or knowledge of the deceased's said widow the Plaintiff took away from Messrs. Lo and Lo the title deeds relative to the Canal Road properties on 17th December 1969 and signed a receipt for the same as "Executrix of the estate of Doreen Cheung deceased" a capacity which she did not hold, and the Plaintiff took away the title deeds of "the Flat" from Messrs. Lo and Lo on June 9th 1969 and gave her own receipt for the same. 20

11. The deceased's said widow paid on 24th April 1967 \$5,000 to Messrs. Lo and Lo towards estate duty on the deceased's estate and swore an Estate Duty Affidavit on that date at the Estate Duty Office which included the properties as assets of the estate of the deceased worth \$155,000 out of a net estate of \$155,299. The deceased's widow was unaware at this date of the existence of her husband's said bank account at the Liu Chong Hing Bank Limited until on or about the end of June 1967.

12. As a result of strained relations with the Plaintiff the deceased's said widow applied for permission for herself and her then unborn child (later named Cheung Tai Wai and born on 23rd July 1967) to enter Australia as immigrants, which application was granted so that they left Hong Kong on 24th May 1969. The deceased's said widow was previously a nurse at the Queen Elizabeth Hospital in Hong Kong and went to Australia to pursue a nursing career to support herself and her said child, being without other means of support apart from her expectations from the estate of the deceased. The deceased's said widow renounced her right to apply for Letters of 30

Administration to the estate of the deceased on 4th July 1967 with the object and intention that the Plaintiff would thereafter apply for a Grant of Letters of Administration and administer the estate according to law.

*In the Supreme
Court of
Hong Kong
High Court*

13. The Plaintiff swore Corrective Affidavits on 2nd May 1968 and 6th February 1969 correcting to a minor extent the said Estate Duty Affidavit sworn as aforesaid by the deceased's said widow and thereby confirmed the Estate Duty Affidavit sworn by the deceased's said widow. On 27th February 1969 the Plaintiff paid \$10,301.70 by way of an advance to cover Estate Duty on the estate of the deceased, and lent the deceased's said widow the sum of \$5,000 previously paid by her towards estate duty. On 21st May 1973 the Plaintiff demanded through letter from her solicitors Messrs. Lo and Lo that the Defendant re-imburse her for all estate duty, rates, compensation to tenants and other out of pocket expenses paid by the Plaintiff relating to the estate of the deceased.

No. 2
Amended
Defence and
Counterclaim,
3rd June, 1977
(continued)

14. Ultimately and since no Grant had been issued to the Plaintiff the deceased's said widow applied in O.J.M.P. 222 of 1973 for leave to withdraw her said renunciation and this application was duly granted. Thereafter the Defendant was authorised by the Deceased's said widow to apply for letters of Administration and no caveat was entered by the Plaintiff to the application for the said Grant of Letters of Administration and no notification in advance of the Grant was given by the Plaintiff of any alleged claim that she was the beneficial owner of the properties. On 16th November 1973 Letters of Administration to the estate of the deceased were granted to the Defendant in Probate Jurisdiction No. 1399 of 1973.

15. On June 4th 1974 the Defendant used funds made available for the purpose by the deceased's said widow to meet the legal costs and disbursements totalling \$4,183.90 due to Messrs. Tso & Company relative to the extraction of the Grant of Letters of Administration to the estate of the deceased on 16th November 1973 including the *ad valorem* Court fee based upon the assets disclosed in the Schedule of Property annexed thereto amounting to \$340.

16. The Defendant was advised for the first time that the Plaintiff claimed to be the beneficial owner of the properties by letter from Messrs. Gordon Hampton and Winter dated 23rd February 1974 written on behalf of the Plaintiff following publication by the Defendant of a statutory notice on 28th December 1973 under the provisions of Rule 60A of the Non-Contentious Probate Rules.

17. The Defendant says that the Plaintiff is estopped from saying that she is the beneficial owner of the flat and the Canal Road properties because : —

- (a) The Plaintiff procured through her solicitors Messrs. Lo and Lo the Schedule of Property annexed to the said Grant of Letters of Administration 1399 of 1973 upon the basis of the Corrective Affidavits referred to in paragraph 13 hereof which Schedule of Property specifically described the properties as assets of the estate and not as trust property.
- (b) The Defendant has been called upon by the Plaintiff to re-imburse estate duty based upon the said Schedule of Property out of the estate of the deceased, which would not have been payable if the assets were beneficially owned by the Plaintiff as alleged, in the manner set forth in paragraph 13 hereof. 10
- (c) The Defendant has relied upon the said Schedule of Property, and has used funds provided by the deceased's said widow to pay the *ad valorem* Court fee and legal and other expenses on extraction of the said Grant in the manner set forth in paragraph 15 hereof.
- (d) The assessment of Estate Duty made upon the assets disclosed in the said Schedule of Property is final. 20
- (e) By her silence before issuance of the said Grant and by making no prior claim to the properties the Plaintiff induced the Defendant to act as Administrator of the estate of the deceased.

AND THE DEFENDANT COUNTERCLAIMS : —

- (1) A Declaration that the deceased's said child Cheung Tai Wai is the only beneficiary in the estate of the deceased subject to maintenance of the deceased's said widow according to Chinese law and custom.
- (2) An Order that the Plaintiff do deliver up the title deeds relating to the flat to the Defendant and a Declaration that the Plaintiff has no interest therein. 30
- (3) An Order that the Defendant do treat the proceeds of sale of the Canal Road properties as an asset of the estate of the deceased to the exclusion of any interest therein of the Plaintiff.

- (4) An Order that the Plaintiff do account for what is due to the estate of the deceased in respect of rents, profits and income received by the Plaintiff.
- (5) An Order that the Plaintiff do pay the said sum of \$122,800 referred to in paragraph 8 above to the Defendant as an asset of the estate of the deceased together with interest at the rate of 8% per annum from 20th March 1967 to the date of Judgment.
- (6) An Order for accounts relative to the estate of the deceased's said father Cheung Loy *alias* Cheung Man Loy who died on 12th November 1954.
- (7) Such further or other relief as may be just.
- 10

*In the Supreme
Court of
Hong Kong
High Court*

No. 2
Amended
Defence and
Counterclaim,
3rd June, 1977
(continued)

*(Sd.) DEACONS
Solicitors for the Defendant*

Dated the 19th day of May, 1977.

Amended as in green
this 6th day of Octo-
ber, 1977 pursuant to
the Order of Mr.
Registrar O'Dea dated
the 5th day of Octo-
ber, 1977

1974 No. 1196

*In the Supreme
Court of
Hong Kong
High Court*

IN THE SUPREME COURT OF HONG KONG
HIGH COURT

Registrar

BETWEEN :

CHEUNG SO YIN KAY

Plaintiff

and

THE CHARTERED BANK
HONG KONG TRUSTEE LIMITED

Defendant

Amended as in red
this 18th day of May,
1977 pursuant to the
Order of Mr. Registrar
O'Dea dated the 28th
day of April, 1977

No. 3
Re-amended
Reply and
Defence to
Counterclaim,
6th October,
1977

(Sd.) S. H. MAYO
Registrar

RE-AMENDED REPLY AND DEFENCE
TO COUNTERCLAIM

10

REPLY

1. Save and in so far as the same consists of admissions, the Plaintiff joins issue with the Defendant upon his Defence and Counterclaim.
2. Paragraph 2 of the Amended Statement of Defence and Counterclaim is admitted.
3. Paragraph 3 of the Amended Statement of Defence and Counterclaim is denied save that the death of the deceased's father is admitted.

~~DEFENCE TO DEFENCE AND COUNTERCLAIM~~

- ~~3.~~ 4. Paragraph 5 of the Defence and Counterclaim is admitted.
4. 5. **In further Reply to Para 6, it is admitted that** the Plaintiff did collect rents, give receipts for rent and pay all the rates in respect of the said properties until letters of administration of his estate was granted to the Defendant; the Plaintiff did the aforesaid acts because the said properties belonged to her. 20
6. The Power of Attorney dated the 11th day of June 1959 and the General Power of Attorney dated the 22nd day of September 1964 are admitted.
7. It is admitted that an account being No. 12198 at the Causeway Bay Branch of the Liu Chong Hing Bank Ltd., was opened in the name of the deceased and was operated by the use of a chop. The Plaintiff says that all moneys in the said account belonged at all times to her.

8. In further reply to paragraphs 9, 10 and 11 of the Amended Statement of Defence and Counterclaim the Plaintiff says as follows:—

*In the Supreme
Court of
Hong Kong
High Court*

- (a) the said title deeds had been with the Plaintiff until the same were delivered to Mr. A. K. W. Lui, deceased, of Messrs. Lo and Lo, a firm of solicitors in Hong Kong.
- (b) after the death of the deceased the Plaintiff consulted the said Mr. A. K. W. Lui in respect of the deceased's estate.
- (c) the Plaintiff was advised to return with the said title deeds.
- (d) pursuant thereto the Plaintiff went with the deceased's widow to the offices of Messrs. Lo and Lo in or about the beginning of April 1967 and in the presence of the latter deposited the said title deeds with a clerk in the employ of Messrs. Lo and Lo.
- (e) it is admitted that the receipt in respect of the said title deeds was made out in the name of the deceased's widow by the said clerk by mistake and handed to the deceased's widow by mistake.
- (f) the Plaintiff was told by the said Mr. A. K. W. Lui, deceased, that the Plaintiff should deposit a sum of \$4,000 with Messrs. Lo and Lo but on the following day the Plaintiff was told by Mr. A. K. W. Lui, deceased, that without the Plaintiff's knowledge a sum of \$5,000 had already been paid to Messrs. Lo and Lo by the deceased's widow and that there was no further necessity for the Plaintiff to make any further deposit.
- (g) subsequently the said Mr. A. K. W. Lui, deceased, further advised the Plaintiff that the said title deeds had been taken away by the deceased's widow without the Plaintiff's knowledge.
- (h) the Plaintiff immediately raised objection thereto and after about a month, the said title deeds were returned to the Plaintiff by Messrs. Lo and Lo.

No. 3
Re-amended
Reply and
Defence to
Counterclaim,
6th October,
1977
(continued)

10

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30 9. It is admitted that the deceased's widow was a nurse in Hong Kong and that she migrated to Australia with her son sometime in or about 1969. It is further admitted that the deceased's widow renounced her right to apply for Letters of Administration to the estate of the deceased prior to her departure from Hong Kong.

10. It is admitted that the Plaintiff swore corrective affidavits respectively on the 2nd day of May 1968 and the 6th day of February 1969 in respect of the estate of the deceased and that therein no reference was made to the said properties. The Plaintiff says this was solely because she had not been advised of any necessity to swear corrective affidavits in respect of the said
40 properties and she had always believed the said properties belonged to her

and no-one else. It is further admitted that the Plaintiff paid the sum of \$19,301.70 in respect of estate duty and the sum of \$5,000 to the deceased's widow. The letter of 21st May 1973 referred to in paragraph 13 of the Amended Statement of Defence and Counterclaim is admitted. The Plaintiff will refer to and explain the circumstances leading to the said letter at the trial.

11. The Plaintiff from time to time instructed Messrs. Lo and Lo to apply for Letters of Administration in respect of the estate of the deceased but was unable to obtain the same.

12. It is admitted that Letters of Administration were eventually granted to the Defendant. At all material times the Plaintiff left the matter of Letters of Administration to Messrs. Lo and Lo and is not in a position to say why no caveat was entered by Messrs. Lo and Lo on her behalf or why no notification was given in respect of her claim to the said properties. Furthermore at all material times the Plaintiff believed and maintained and still believes and maintains that the said properties belonged and still belong to her. **10**

13. No admission is made in respect of paragraph 15 of the Amended Statement of Defence and Counterclaim.

14. The letter dated 23rd February 1974 addressed by Messrs. Gordon Hampton & Winter to the Defendant is admitted. **20**

15. The Plaintiff repeats her Amended Statement of Claim and her reply herein and says that in the premises the Defendant is not entitled to the relief counterclaimed or any part thereof.

16. ~~15.~~ Save as hereinbefore specifically admitted, the Plaintiff denies each and every allegation contained in the counterclaim as though the same were herein set out and traversed seriatim.

~~Dated the 7th day of October 1975.~~

~~Dated the 18th day of May 1977.~~

Dated the 6th day of October 1977. **30**

~~ESTHER TOH
Counsel for the Plaintiff~~

~~PATRICK YU
Counsel for the Plaintiff~~

MESSRS. HAMPTON, WINTER & GLYNN
Solicitors for the Plaintiff

IN THE HIGH COURT OF HONG KONG
ACTION NO. 1196 OF 1974

*In the Supreme
Court of
Hong Kong
High Court*

BETWEEN :

CHEUNG SO YIN KAY

Plaintiff

and

THE CHARTERED BANK
HONG KONG TRUSTEE LIMITED

Defendant

No. 4
Notes of the
evidence of the
Honourable
Mr. Justice Li
10th April, 1978

Coram : Li, J. in Court

Date : 10th April 1978 at 10 a.m.

- 10 Yu & Chan (G. H. Glynn) for plaintiff
Mills-Owens (Deacons) for defendants

JUDGE'S NOTES

- Yu: Few dates and preliminary matters.
- Mills-Owens: Daisy Chan to produce files.
Two agreed files produced.
Estate File 1399/73 — Exhibit D.
Estate File 557/72 — Exhibit E.
- Yu: Agreed all documents.
Blue bundle — Exhibit A.
20 Orange bundle — Exhibit B.
Small bundle — Exhibit C.
Power of Attorney — Exhibit F.
Few Dates:—
1959: Two flats.
Georges Building Patterson Street.
C-1 and C4 purchased.

1964: 6-7 Canal Road purchased.
1966: Cheung Wood Lun married.
1967: Few months after marriage.
March. Cheung Wood Lun committed suicide.
1973: Letters of Administration in respect of estate granted
to Chartered Bank H.K. Trustee Ltd.

Plaintiff aged woman. Still has 2 sons.
Case about properties — (C-1 and 6-7)
assigned to name of Cheung Wood Lun. With her money.

When C-1 purchased she had power of Attorney by Cheung 10
made out in per favour in respect of that property.

C-1 bought same time as C-4 of same building. Plaintiff
bought C-4 likewise in name of another son, Stephen who
was then abroad.

F is power of attorney executed by Stephen for C-4 on
10/1/61 (Agreement sale 1959. Final conveyance 1961).

6-7 Canal Road — purchased again power of Attorney
executed by Cheung Wood Lun — A1 — G1.

Thus as from time of purchase C-1 of George Building and
6-7 Canal Road in name of Cheung Wood Lun. 20

Plaintiff's case.

1. Purchased with her money.
2. Not intention to have property belong to son in her life
time.
3. Resulting trust.

Pleadings dispute a lot.

Now only issue is her intent at time of purchase and subject
to counterclaim.

Plaintiff's husband's estate issue no longer pursued.

Between 1967 and 1973 (when Letters of Administration 30
granted to Chartered Bank) matters entrusted to Lo & Lo.

Pleadings:

Canal Road property now sold by Order of Court at
\$1.3m. Resulting Trust.

Law:

Where there is purchase of property in name of another depends on evidence.

Dyer v. Dyer (1788) 2 Cox Eq. Cases 92.

Gurrett v. Wilkinson 64 Eng. Rep. 110.

Burden on person asserting gift because of donee being solicitor.

Dyer v. Dyer (1788) 2 Cox Eq. Rep. 92.

Parent and child — circumstance of evidence.

10

Normally resulting trust.

The matter of De Visme 46 Eng. Rep. 280.

Sayre v. Hughes Gift by another V.L.R. 376.

Craw v. Pettingill (1869) 38 L.J. Ch. 186 at 192.

Here plaintiff handed title deeds to Lo & Lo.

Flat:

Shortly after purchase plaintiff and her deceased son moved to live in C-1. About marriage of son both vacated flat and moved back to property in Tai Shek Street.

Widow never lived in C-1 which had been let out (out off).

20

Plaintiff paid all rates and outgoings of C-1, C-4 and other properties.

Also received rents and profits.

After Letters of Administration granted to defendant tenants refused to pay rent for Canal Road property she receives rents still from C-1.

She receives rents still from C-4.

Stock v. McAvoy (1872) 15 L.R. Eq. Case 55.

Bennett v. Bennet (1879) 10 Ch. 474 at 477-8 and 479.

Mother different from father.

30

Adj. to 2.30 p.m.

Sgd. SIMON F. S. LI

*In the Supreme
Court of
Hong Kong
High Court*

—
No. 4
Notes of the
evidence of the
Honourable
Mr. Justice Li
10th April, 1978
(continued)

In the Supreme 2.30 p.m.
Court of
Hong Kong Yu:
High Court

No. 4
Notes of the
evidence of the
Honourable
Mr. Justice Li
10th April, 1978
(continued)

Re Cerrue (1883) 5 L.T. 51 at 53.

Again facts according to evidence.

Warren v. Gurney (1944) 2 A.E.R. 472 at 473 (D) and (H).

Retentions of title deeds — Resulting Trust.

Pettitt v. Pettitt (1969) 2 A.E.R. 385 at 404 E.

The law from these cases is a mother can be in position of a person in loco parentis. Less than a father.

Each case trial judge has to make findings on evidence to determine whether advancement or resulting trust. 10

Plaintiff entitled to her husband's estate (subject to plaintiff's evidence).

Defence and counterclaim:

Power of Attorney 11/6/59 — flat purchase.

Withdrawal of money 20/3/67 \$122,800.

See B135 and B136.

B135 allege deeds given to Lo & Lo by widow.

B136 Lo & Lo said deeds returned to Mother 9/6/69 and 17/12/69.

Para. 14 Left the application to Lo & Lo. 20

Did not know the rest until she read of advertisement.

So called estoppel simply evidence for gift.

Prayer (6) abandoned.

Anyway conflicting affidavits.

Reply and Defence to counterclaim.

Para. 10:

Dispute:

1. Plaintiff's intent at time of purchase 2 instances.

(a) Power of attorney from 2 sons 30

(b) Power of attorney from deceased

(c) Paid outgoings and collected rents

- (d) No question raised as to whom the property belonged.
- (e) First conflict after son died and muddling of obtaining Letters of Administration.

*In the Supreme
Court of
Hong Kong
High Court*

No. 4
Notes of the
evidence of the
Honourable
Mr. Justice Li
10th April, 1978
(continued)

Plaintiff paid deposit and balance by two cheques A23 — 28.

A-10 Power of Attorney.

A58 Cheque \$320,000 — 6-7 Canal Road.

A59 Receipt.

A60 Plaintiff's bank balance debited.

10 A61-68 Power of Attorney from son 22/9/64.

A70 etc. reimbursements paid by plaintiff paid to tenants of 6-7 Canal Road.

Bank account A72 is same amount.

Adj. to 10 a.m. 12/4/78

Sgd. SIMON F. S. LI

10 a.m.

Mills-Owens: See *Shepherd v. Cartwright* (1955) A.C. 431 at 445.

Admissible facts only facts and document at time of purchase.
Subsequent acts only against the party.

20 Yu: Submit plaintiff's evidence is best evidence of intent at the time. Here to hear plaintiff as to what she did at the material time or after. She is available for examination. Aforesaid case applied to a deceased person.

Of authorities so far cited verbal evidence given and received.
Inference to be drawn only.

Mills-Owens: Not to obtain ruling only to put on record.

30 As Mr. Yu wants to know the position of his lay client vis-a-vis this position he is in effect asking for a ruling. On authorities cited I am of opinion this question is more academic than real. If it is contended that plaintiff is not allowed to give evidence of her intention at the time of purchase then no point in her giving evidence. Even if she is allowed then such evidence of intention has to be judged by her on course of conduct. This is a matter where weight of evidence is far more material than admissibility of evidence. The case of *Shepherd* relates to a deceased person and his declarations could not be subject to cross-examination. Here we deal with a living person. Whatever way her evidence is subject to cross-examination.

Ruling evidence is admissible. Weight is another matter.

In the Supreme
Court of
Hong Kong
High Court

No. 4
Notes of the
evidence of the
Honourable
Mr. Justice Li
10th April, 1978
(continued)

Cheung So Yin Kay (Sworn) P.W.1.

Alias Cheung So Heung. Widow. Late husband Cheung Man Loy. Died in 1954. I was executrix under his will. Now of 25-27 Tai Shek Street, Sai Wan Ho, 3rd floor. Now 2 living sons: Cheung Ng Chow and Cheung Ng Sheung. Also a number of daughters. Used to have son Cheung Ng Lun — alias Wood Lun. He died in 1967.

Wood Lun went to U.S. to study. University in mid 1950's. Did well. He did not feel well and came back. In 1958 he is hospitalised. Discharged in mid 1960. Even after discharge still consulted doctors. He lived with me in Patterson Street — St. George Building, Flat C-1, which was purchased in 1959. He is admitted in September 1958.

10

At time I purchased Flat C-1, he was in Tai Shek Street and I visited him. Wood Lun came back to Hong Kong 1958. Lived with me in Tai Shek Street. Then went into hospital. Came out from hospital 1960. He went in and out of hospital. Come out and lived with me in Tai Shek Street. We moved to Flat C-1 — can't remember date. Anyway moved in with Wood Lun.

At that time Ng Chow lived away from me. Ng Sheung was in U.S. Thus only lived with Wood Lun.

When purchased Flat C-1 in fact C-4 bought. The total price for 2 flats about \$92,000 to \$100,000. Transaction went through F. Zimmern & Co. Cheque at A-23 shows \$92,999 dated 2/6/59. Cheque No. 072079.

20

I see A-24. At first given by Kam Hing. Then told to give to Zimmern. I paid \$2,000 to cover miscellaneous expenses. Cheque No. 072080 show \$2,000 given to Kam Hing Co. Zimmern & Co. gave receipt to me too.

The purchase price was from my money. But Flat C-1 registered in name of my son Wood Lun. Flat C-4 registered in name of my son Ng Sheung. I registered in name of sons because my 3rd son knew his elder brother sick in U.S. so I bought 2 flats in case they both return and they would not be alone.

30

At time of purchase I had no flat registered in name of eldest son, Ng Chow.

At time of buying Flat C-1 I asked Wood Lun to give me power of attorney — at A-42. Similarly ask Ng Sheung to do same. Exhibit F. I paid price and expenses. Neither son provided any money. Receipts for price and expenses all kept by me.

In 1964 I bought Canal Road 6-7 for \$320,000. I paid for it with my money. Cheque No. 281037 shows it. A-58 dated 6/4/64. This shown in statement of my account A-60 and receipt from P. C. Woo & Co. A-59.

At time of purchase had another power of attorney by Wood Lun in September 22/9/64 A-61. Wood Lun never provided any money. Money for compensation to tenants provide by me. Receipt in A-70/71. Property registered in name of Wood Lun.

*In the Supreme
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At all times after purchase of C-1 and 6-7 Canal Road all outgoing and rates and tax paid by me. Neither son paid any part of them.

No. 4
Notes of the
evidence of the
Honourable
Mr. Justice Li
10th April, 1978
(continued)

10 As to Flat C-1 I lived with Wood Lun there for sometime. He married in latter part of 1966. Prior to his marriage he lived with me in Flat C-1. After his marriage we moved back to Tai Shek Street. Thus till latter part of 1966 lived in Flat C-1. Moved back to Tai Shek Street to get married. Then Flat C-1 left empty. Now Flat C-1 occupied by tenant, a Mr. Tang.

Flat C-1 let on and off. Tang lived there for 2 years. After we left flat vacant for a while. Then let out from time to time until Tang. I received all rents.

Flat C-4, in name of Ng Sheung. It is rented to tenants. From purchase let out. I received all rentals. All rentals from C-1 and C-4 kept in my account. As to Ng Sheung's case deposit in my account. Same as to Wood Lun. But C-1 let out on and off only.

20 Nos. 6-7 Canal Road property rent only obtained from No. 7. I collected rent and keep it. No. 6 was burnt in fire. I paid for all outgoings in respect of them. No longer collecting rent now because it was taken over by a company. Rent not paid in February 1974. I asked tenants for rent without success. That was when Chartered Bank H.K. Trustee Ltd. appointed as administrator.

30 I had properties registered in name of Wood Lun because he was very sick and would run away any moment and I wanted to see him. He would go away and would not know way to come back. I asked for Power Attorney because I paid and my property. If I died property belonged to him. While I live I managed property myself. In 1959 he was about 28 to 29 years old. In 1964 about 32 years old. I accept defence version he was 30 years old in 1964. He is born in 1934. In 1959-1964 Wood Lun had no means of his own. He is not working.

As to Flat C-4 I had it registered in name of Ng Sheung because I feared after I died Wood Lun would have no company. Thus I bought this so that Ng Sheung could be near him. Two flats on same floor — 1st floor. I and Wood Lun did move in to live at Flat C-1 up to time he got married. We vacated Flat C-1 because the new flat had been built in Tai Shek Street. When he married liked to give him a new flat to live in.

40 Wood Lun died in 1967 few months after his marriage. I went to Lo & Lo ask them what I was to do because I purchased properties in son's name. That I meant C-1 and Nos. 6-7 Canal Road. I saw Lui Kwai Wing. Also other members of staff from time to time. I went many times.

From time I purchased these properties till I went to Lo & Lo I had possession of the title deeds. Up to time I saw Lui I had the title deeds. As result of Lui's advice I deposited deeds with him. I took deeds to them saying my son had passed away and I wanted them to be transferred back in my name. That is because I purchased it with my money.

I knew nothing about applying for Letters of Administration till I saw notice. Lui advised me to pay for estate duty saying my daughter-in-law had waived her right. I asked him to apply for Letters of Administration. He advised that to apply for it and I could have it built. That is because at one stage I intended to develop property at Nos. 6-7 Canal Road. Thus I paid compensation to tenants after No. 6 burnt down.

10

I had to deliver title deeds to him because I had to pay estate duty. I paid it. I have receipt for \$19,000 odd. Then Lui told me daughter-in-law had taken them away. Eventually I got them back. Thus apart from depositing them with Lo & Lo I had deeds with me at all time.

As to son's estate my daughter-in-law paid \$5,000 at one time because Lo & Lo asked me for \$5,000 to refund to daughter-in-law. I did. All expenses and fees to Lo & Lo paid by me.

For estate duty purposes daughter-in-law filed affidavit in respect of Wood Lun's estate. In it she included C-1 and 6 and 7 Canal Road as part of his estate. Then I swore a corrective affidavits in 1968 and 1968 — B21 — 28. In neither of these affidavit did I take out the properties Flat C-1 and 6-7 Canal Road for my son's estate. I purchased them.

20

I learned that Chartered Bank H.K. Trustee Ltd. obtained Letters of Administration only when by chance I read from Wah Kiu Yat Po. I went at once to Lo & Lo. It was an advertisement asking for claims against the estate. I was surprised that the Bank obtained Letters of Administration and not me. I went also to see Mr. K. Y. Tso, the Bank's solicitor. He telephoned to see Lui of Lo & Lo. Then said nothing to do with him.

I saw Lui again. No result. Then I went to Gordon Hampton. Hence proceedings.

30

I never made a will myself. Eldest son married, businessman. Independent. Never given him much money. Wood Lun my 2nd son. Had C-1 and 6-7 Canal Road registered in his name. This I intended property belonged to him after I died without further transfer. As to Ng Sheung I had Flat C-4 registered in his name.

The Tai Shek Street property registered in my name. Still so. Moving back to Tai Shek Street was my idea. Wood Lun lived there till he died. I also lived there with him.

Before Wood Lun married I knew she is widow. She is introduced to me by my niece Cheung To Chun. She is then studying in a school in Caine Road. She had no where to live. She moved in to live with us in stone house in Oh Bai Lung Village. Known to family for some time.

40

After she completed study she returned and met my son. After son died in March 1967 she left for Australia. Can't remember date. Her mother told me they would be going to Australia. After giving birth to her child she never returned to stay. I saw her in church only. She seldom came to see me. I only saw her in church at Sao Kou To — Holy Light Church.

*In the Supreme
Court of
Hong Kong
High Court*

Adj. to 2.30 p.m.

Sgd. SIMON F. S. LI

No. 4
Notes of the
evidence of the
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Mr. Justice Li
10th April, 1978
(continued)

2.30 p.m.

Cheung So Yin Kay (R.F.O.) P.W.1.

10 Evidence-in-chief continued :

Account 12198 in Liu Chong Hing Bank opened in name of son Ng Lun. I opened it. He did not know of this account. I put my own money in this account. Exhibit A-300 is specimen card. Account could be drawn by chop or signature. Chop given to him by his brother-in-law — husband of his younger sister. I had custody of it. I took it to bank to put it on the card A-300. I kept the chop since.

Signature next to chop written by me. During his life Ng Lun never operated this account. I opened account in his name because I was afraid when I died he had no money to spend. After his death I closed this account and withdrew all money.

Cross-examination :

1. The very day after his death you drew out \$122,800.00?
No.
2. Died 19/3/67 and you drew out 20/3/67?
Not true. There were only a few thousand dollars.
3. Look at Exhibit B-165, showed \$122,800 withdrawn 20/3/67 agreed amount?
No. I did not withdraw the amount.
4. Look at A-304 — 312 five withdrawal slips withdrawing amounts for \$12,000, \$28,000, \$56,800?
All deposited by me. I deposited and withdrew.
5. So you withdrew on 20/3/67, \$122,800?
Can't remember when. I did not have so much money in the bank.

*In the Supreme
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No. 4
Notes of the
evidence of the
Honourable
Mr. Justice Li
10th April, 1978
(continued)

6. Go through A-304 — 306 etc?
Now I agree I did.
7. You are very wealthy?
Yes.
8. Estimate your wealth?
Cash and property depend on value of land.
9. Many millions?
Can't estimate.
10. About \$10 million?
Dare not say. They have not been disposed of. 10
11. Have account in own name?
Yes.
12. How many?
Are in Liu Chong Hing Bank, one in Canton Bank.
In all 3-4 accounts — not active.
13. All in your own names?
Yes.
14. This Liu Chong Hing different, put in son's name?
Yes I transfer money there.
15. Transfer to that account to give to him? 20
No.
16. Why put in his name?
For fear he had no money to spend when I die.
17. Why put his name?
No. It is my money I could always draw out.
18. For fear account frozen on death?
No.
19. Why not put in own account?
If in my name I had to sign to withdraw. If use chop he
would withdraw. 30

20. He entitled to withdraw money?
Once I die, yes.
21. You own flats in 25-27 Tai Shek Street?
Yes.
22. Post-war buildings?
Yes.
23. How many flat you own?
18 flats.
24. All registered in your name?
Yes.
25. Also own flats in Hung Yau Factory Building?
Yes.
26. How many?
Six.
27. Those in your name?
Yes.
28. Other properties?
Yes. St. Cross Street — 18 flats.
29. In your name?
Yes.
30. All managed by you?
Yes.
31. Collect rents and paid out goings?
Yes.
32. Experienced in buying and selling properties?
Not quite.
33. When started?
As from 1932.
34. Experienced?
Not much.

*In the Supreme
Court of
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High Court*

No. 4
Notes of the
evidence of the
Honourable
Mr. Justice Li
10th April, 1978
(continued)

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30

35. Appreciate difference properties in your name and those in son's name?
Just because in case I die flats given to him without procedure of charging in registration.
36. So that if you die such properties not form part of your estate?
Once I die, not mine. If I live they belong to me.
37. You intended such properties not part of your estate when you die?
I disagree.
38. Why registered in your son's name? 10
Because he is ill and I tried to keep him occupied.
Intended to draw plan for development.
39. Why?
Before I die intend for change back.
40. Why not in own name?
Because I am old.
41. What is that to do with it?
I am old. Had to look for him or may collapse.
I borrow his name.
42. Why? 20
Because I am advanced in age.
43. Why?
When I die, property belong to him.
But property mine.
44. Husband, good husband and good father?
Yes.
45. Left his property (whole) to you?
He only had his business no other money. He left business to me.
46. Look at Exhibit A-4 he left everything to you? 30
Yes.
47. In A5-7 you applied for probate?
Yes.

48. In A-8/13 show he is possessions?
Yes.
49. A-14/16 show estimate of his assets?
Yes.
50. You applied for probate of husband's estate?
Yes. Something done in solicitors firm.
51. You got grant of probate through Lo & Lo?
Yes.
- 10 52. At that time had to tell Lo & Lo of your husbands assets?
No, Lui Kwai Wing told me so.
53. Didn't you tell you how much your husband died possessed?
No. Lui told me.
54. So husband left everything to you?
So said Lui. He merely told me to hold the papers.
55. Usual for Chinese to leave things to sons?
Yes. But husband did not.
56. Who's to provide for his sons?
Cheung Sing of Lo & Lo made will for him.
- 20 57. He expected you to provide for his children?
How could I make provision before I die. I would make it after I die. I did not make up my mind what to give them.
58. Since his death you assume duty to raise and provide for children?
Business left to my sons.
59. Your eldest son did the running?
He ran it.
60. Who provide for other children?
I did.
- 30 61. As far as Ng Lun was concerned, you provided for him after husband's death?
He lived with me.

*In the Supreme
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High Court*

No. 4
Notes of the
evidence of the
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10th April, 1978
(continued)

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No. 4
Notes of the
evidence of the
Honourable
Mr. Justice Li
10th April, 1978
(continued)

62. Charged him rent?
No.
63. Food?
I paid.
64. School fees?
I paid.
65. Regarded your duty to do so?
Yes.
66. When Ng Lun went to Mental Hospital who arranged for that? 10
I did.
67. While he is in that hospital Flat C-1 purchased in his name?
He is in hospital in mid September 1958. He left in December 1958 and he was running about.
Flat C-1 purchased 2/6/59.
68. Flat C-1 paid for in June 1959?
Yes.
69. Letter from hospital your son in hospital from 11/9/58 to 23/5/60? 20
No. He came out and he was readmitted.
During that period he was in and out of mental hospital.
70. Letter in A-282 said so?
In mid September 1958 he is in. Out near X'mas 1958. He ran about. Did not return until 1960.
71. Only reason you got his power of attorney was because of his mental illness?
Yes. But also as I paid for flat, I borrowed his name.
72. No declaration of trust signed by him?
Only power of attorney.
73. In purchase deeds no mention he held in trust for you? 30
I disagree. There is power of attorney.
74. Look at deed A30/41 agreement to purchase C-1 and C-4, nowhere say sons held in trust for you?
I disagree.

75. Look at A-42/47, power of attorney, about flats C-1 and C-4, no statement of trust either?
At time of purchase I mentioned this in solicitors firm.
76. Solicitors made mistake with your instructions?
I stated that properties purchased by me.
77. You might say purchase from your money but not son in trust for you?
I told solicitor properties purchase with my money.
That is why I have power afterall he is mentally abnormal.
- 10 78. Never mentioned your son being a trustee?
What I said was everything belonged to me. I could buy and sell. I told solicitor.
79. His name?
Zimmern and P. C. Woo i.e. Yung Kwok Yue.
80. Power of Attorney only authorised you to act on your son's behalf?
It mentioned I had right to sell and buy.
81. Only on his behalf?
I am not lawyer. I had power to buy and sell.
- 20 82. Look at C-5, Ng Lun's signature?
Yes.
83. Nothing in assignment for Flat C-1 in Exhibit C-1/5 show son held in trust for you?
Deed in son's name. But solicitor said power attorney given to me.
- 30 84. Nothing in Land Registry property held in trust for you?
No. But power of attorney given to me and it is alright. I said put down name. Solicitor said not necessary, a power of attorney would cover everything. K. Y. Yang said that.
85. Not until 25/2/74 that you advanced argument son in trust for you?
No. In 1967 I went to Lui's office.

*In the Supreme
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High Court*

No. 4
Notes of the
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Honourable
Mr. Justice Li
10th April, 1978
(continued)

Adj. to 10 a.m.

Sgd. SIMON F. S. LI

*In the Supreme
Court of
Hong Kong
High Court*

Court resumes as before
14th April 1978 at 10 a.m.

Cheung So Yin Kay (R.F.O.) P.W.1.

No. 4
Notes of the
evidence of the
Honourable
Mr. Justice Li
10th April, 1978
(continued)

Cross-examination continued:

86. Neither Zimmern & Co. nor P. C. Woo & Co. were given instructions that your son were merely trustee for you?

I did so instruct them.

87. Explain why both firms prepared no document of trust?

I said all these properties purchased with my money and my son abnormal.

10

88. Heard of term 'gift'?

I do not understand.

89. Birthday gift?

Heard of it. But never heard of giving flat as gift. I am in construction business. I mean my son sick. I want him occupied. I use his name for the building work.

90. Heard of parent giving a gift to children?

Yes.

91. Normal to give present to children?

Yes.

20

92. Then child does not hold gift on trust?

No.

93. That is what happened in this case with property you bought in son's name?

No.

94. On public record you know question of ownership should be clear?

To make it clear when my son died I had property re-registered in my name.

95. Know land ownership is matter of public record?

Yes.

30

96. Public records in respect of C-1 and 6-7 Canal Road show nothing as in trust?

But the Power of Attorney present.

97. The power of attorney show you act on son's behalf — not other way round?
I disagree.

*In the Supreme
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98. Don't know what is in power of attorney?
I did not know contents. But I instructed the solicitors clearly.

No. 4
Notes of the
evidence of the
Honourable
Mr. Justice Li
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(continued)

99. Look at A-46, signed by your son contents not interpreted to you?

He did and explained to me. But I do not remember.

10 100. What is position of C-4?

In name of Cheung Ng Sheung.

101. And his wife?

Yes.

102. In that no indication of trust?

But there is power of attorney and that includes everything.

103. Not saying there is express declaration of trust?

I do not know what is trust.

104. None of receipts suggests any trust relationship?

In any case at time of purchase I made it very clear.

20 105. When your husband died in 1954 he left a shop and some money?

Not much cash.

106. Any estate duty payable?

Yes.

107. How much?

Can't remember.

108. About \$22,000?

Can't remember.

109. Look at A-2 indicate grant of probate and duty \$22,099.50?

30 About that.

110. You paid that?

The shop did.

111. You arranged for it to be paid?
Money drawn from shop for payment through my son.
112. Know what estate duty is?
When a person dies and if one want to claim the estate one has to pay tax to Government.
113. It is rate based on quantity of estate?
Yes.
114. According to scale?
Yes.
115. That is because your husband's estate was \$290,000 odd? **10**
I had \$100,000 there lent to him.
116. Know if only a few thousand dollars no estate duty payable?
Yes.
117. You paid \$19,000 odd estate duty in respect of your son's estate?
Yes.
118. Look at B-30, list of property of your son's estate?
Yes.
119. Seen it before? **20**
Even if I had I would not understand.
120. This is list of property left by son?
Yes.
121. On which estate duty paid?
Yes.
122. Lo & Lo --- you discussed estate duty with them?
Yes.
123. Item 7 (a) and (b) most valuable?
Yes.
124. If taken out estate had \$1,000? **30**
Yes.
125. Then no duty payable?
Correct.

126. Items 7 (a) and (b) C-1 and 6-7 Canal Road?

Yes.

*In the Supreme
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High Court*

127. If property not son's why paid duty on them?

I said if I paid duty for Ah Lun whether I had to pay duty for myself.

No. 4
Notes of the
evidence of the
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Mr. Justice Li
10th April, 1978
(continued)

128. Lo & Lo prepared all necessary papers if property not son's estate why paid duty?

I enquired of Lo & Lo and asked same question for two years. In 1969 I paid \$19,000 for it.

10

Lo & Lo said I paid first and deduct in future.

129. Such duty paid because property included in son's estate?

It is made clear and I was told my daughter-in-law had waived her right and if I paid then property would be mine.

130. Never told Lo & Lo property yours and not your son's?

I did.

131. Thus Lo & Lo failed to carry out your instructions?

Lo & Lo told me since daughter-in-law waived rights everything belonged to me.

132. Why paid?

20

Had two letters saying Government required payment.

133. Did you reply son had no property?

No. I went to consult personally.

134. You went with daughter-in-law to see Lui?

Yes.

135. In 1967 April — a month after son died?

Yes.

136. Each of you supplied Lui with information?

On first occasion I went myself only and ask what should be done to those deeds to have them changed to my name.

30

137. So you told Lui what your son had?

I told him property purchased by me.

138. (Question 137 repeated)?

No.

139. Who did?
I saw Lui and said flats had been purchased and I wanted it change back into my name.
140. Told Lui then properties were in name of your son?
He knew. He saw my receipts and so he knew.
141. Based on these instruction Lui prepared papers for son's estate?
Yes.
142. Asked for title deeds?
Yes. 10
143. Prepared for affidavit for his widow to swear?
I gave deeds to him and he told me to give to his clerk. My daughter-in-law took receipt.
144. Based on information Lui prepared papers to be sworn by son's widow?
I do not know about that.
145. Look at A-135 did widow know amount of rents collected from Canal Road property?
No.
146. Thus information of rent and rates in A137 supplied by you to Lo & Lo?
Yes. 20
147. Supplied to Lo & Lo for affidavit to be sworn for Estate Duty Commission?
I did mention I paid for rate, tax etc.
Purpose not mentioned to me. He merely asked me about amount of rents and rates etc.
148. Told them rates for C-1 and vacant?
Yes.
149. In A-137 rates and rent on 7 Canal Road?
Yes. 30
150. Based on information you gave in A-135/7 Lo & Lo prepared for affidavit for daughter-in-law to swear?
Why should it be prepared for her to sign.
I disagree it was for daughter-in-law.
I instructed him to act for me in respect of registration. How could I know he acted like this.

151. Look at affidavit prepared at B-8/17 property included in your son's estate?
I don't understand.
152. On B-16, no item show son held anything as trustee because you never told Lo & Lo son held properties in trust for you?
I did say so.
153. Can explain why Lo & Lo did not follow your instructions?
I always went to see Lui Kwai Wing. I was surprised. He did not see me himself. His secretary told me he will be back 8 o'clock. He told me daughter-in-law fighting me and instructed solicitor Tso. Lo & Lo told me, after seeing all bills, that since property bought by me it belonged to me.
154. Knew Lui well?
Yes.
155. As far back as 1946?
Yes.
156. Wound up your husband's estate?
Yes.
157. Explain why Lui suddenly acted contrary to your instructions?
No valid answer given.
No relevant or logical answer given.
158. When first Lo & Lo original estimate of duty only \$5,000?
No.
159. Daughter-in-law raised \$5,000 to pay Lo & Lo?
Only with object of getting the deeds.
160. When you and daughter-in-law went to Lo & Lo daughter-in-law were told to pay estimate of estate duty about \$5,000 you said you were not to pay at all?
Not that. I asked him to put distinctly property was mine, to exclude it from estate then I pay.
161. You said property not yours and you will not pay duty?
I disagree.
162. Knew daughter-in-law had little money?
Correct.

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Notes of the
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(continued)

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163. Because of your attitude she decided to ask Tso & Co. to handle matters of estate?
Tso said Lui asked him to handle it.
164. As result big family quarrel?
No quarrel.
165. A number of very unpleasant scenes in which you accused daughter-in-law took advantage of your wealth?
She did intend.
166. That is about May/June 1967?
No quarrel. She did not return. 10
167. About end of April, Lo & Lo inform daughter-in-law estate duty exceed \$5,000 and you and your son made clear not assist her to pay this estate duty?
Correct.
168. She fail to obtain Letters of Administration only for lack of money?
Not true.
169. Look at A-140, the \$5,000 used to pay for estate duty that is on 27/4/67. I told solicitor I would pay \$4,000 the following day. Solicitor said not necessary because daughter-in-law had paid \$5,000 for solicitor's fee. 20
170. You knew well the \$5,000 required for estate duty?
No. Only for solicitor's fee.
171. That estimate based upon value of estate being \$155,000 as set out in B-8/17?
No.
172. Estate duty based on 3% duty and therefore \$5,000?
No.
173. The Crown Land & Survey to Lo & Lo at A-142 showing their valuation of the properties Lo & Lo told you about this? 30
Not clear. All I remember was that Government urged to pay duty. They said once I paid I could dispose of property at my wish.
174. Look at B-11 value put much less Lo & Lo told you?
Don't remember clearly.

175. Lo & Lo received A-142, they informed your daughter-in-law estate duty up to \$24,000 and that you knew?
I did not.
176. She could not pay this sum?
Not true.
177. She could?
There is no such thing. It should be me why should she pay?
178. She asked you through eldest son to pay duty for her first?
No such thing. She waived her rights.
- 10 179. Neither of you prepared to assist?
I was not asked.
180. Had you been asked you would not?
She could ask Lo & Lo.
181. You knew that?
Lo & Lo told me to pay, otherwise Government would resume land. I don't remember date. After son died I want to see.
182. You knew she could not pay and needed money?
I did not know at all.
- 20 183. You and widow went to Lo & Lo to discuss matter?
I went with deeds to change to my name. I was told I had to pay the tax first before anything could be done.
184. Knew tax had to be paid before Letters of Administration granted?
Lo & Lo did say that.
185. Knew daughter-in-law could not raise money to pay tax?
I did not know that.
186. You refused to assist and widow had to waive right on 4/7/67?
Superfluous.
- 30 187. Look at A-144, letter to you from Lo & Lo know who wrote the Chinese under?
I do not.

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Notes of the
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(continued)

188. Seen it before?
Yes. It informed me daughter-in-law renounced her right.
189. Thus you knew valuation by Government of property?
Only about payment of duty.
190. On 20/9/67 Lo & Lo wrote you again?
I instructed them to have land retained and not to resume.
191. In A-144, told you daughter-in-law renounced and you could apply and therefore pressed you to instruct on valuation?
Yes.
192. Gave them instruction? 10
Yes. I said I would pay if property would change to my name.
193. On 27/9/67 Lo & Lo raised question as to basis of valuation?
They wrote. Not on my instructions. I did not know how much I had to pay.
194. Look at A-148 Lo & Lo wrote on your instructions with details of properties on your instructions?
Yes.
195. Para. 1 on your instructions? 20
Seems so.
196. Similarly para. 2?
Yes.
197. Another question was your son's interest in Kam Wah Factory?
Solicitors made a mess.
Yes. Such question had been raised by someone.
198. Did you instruct Lo & Lo that you and your son were partners of Kam Wah?
I established the business. A share written in name of son in order to save tax. 30
199. (Question 198 repeated)?
Yes.

Adj. to 2.30 p.m.

Sgd. SIMON F. S. LI

2.30 p.m.

Cheung So Yin Kay (R.F.O.) P.W.1.

*In the Supreme
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Cross-examination continued:

No. 4
Notes of the
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Honourable
Mr. Justice Li
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(continued)

200. Look at A-152 letter from Lo & Lo to Estate Duty Office, say shares signed to son, without your consent, on your instructions?
It seems that I did.
- 10 201. You said you and your son not partners by share belonged to you?
Correct.
202. You and your son sued other partners in Action No. 165 of 1954?
Yes.
203. You obtained Judgment for \$408,280.56?
Yes.
204. The whole basis that action wrong because son had no share?
He said since my son's named as partner proceedings should include son's name.
- 20 205. Who was your solicitor?
Y. H. Chan of Lau Chan & Ko when company was incorporated.
206. So when you told Lo & Lo son a partner — not true?
Correct.
207. Why believe you now?
At first 4 founders. Later 4 others joined in.
208. Then correspondence between Lo & Lo and Estate Duty Office about Kam Wah Factory?
No.
- 30 209. Take from me there were and you knew this was matter of their discussion?
No interest at all. Never got money.
210. So you knew?
In fact I seldom saw him.
(See A-153, 155, 157/8 to 160).

211. Then on 19/4/68 Lo & Lo wrote to file corrective affidavit on son's estate?
Don't know if I had that letter.
212. But you did file corrective affidavit?
Only to affirm estimate of the estate.
213. See B-21, affidavit 16/5/68 sworn by you (B-22) (B23/4)?
I see my signatures.
214. Document interpreted to you?
I can't remember.
215. At B-23, correction stated son's interest in Kam Wah as nil? 10
I don't remember.
216. Yet no correction of original affidavit in any other respect?
I don't know what is wrong and what is right.
217. Look at B-21 (read in detail)
All I was told was to sign my name for purposes of obtaining Letters of Administration.
218. Only correction was to state \$1,000 interest as nil, yet no correction as to C-1 and 6 to 7 Canal Road.
I went to look for him but failed to locate him.
219. Just before that you had been in hospital? 20
That was May 1972 for eye operation. Not in 1968.
220. Look at A-165, Lo & Lo inform you to pay the estate duty 23/10/68?
Whenever I received their letter I went always to them.
221. Second time you filed corrective affidavit about salary tax on 6/2/69 remember?
Don't remember.
222. Look at B25/28 your signature on these pages?
Yes.
223. At B-26 you swore on 6/2/69 after document interpreted to you; you dispute that? 30
Mostly no such a thing. Merely for estate duty.
Nothing about salary tax.

224. Correction made because of refund of salary tax?
I did not receive this.
225. That is only correction made?
Talking about Kam Wah's business I always went to urge him. I don't remember.
226. Yet at no time did you tell Lo & Lo to prepare affidavit to delete property from your son's estate being his property?
Property in Canal Road, all I required was to have them registered in my name.
- 10 227. Such conduct inconsistent with property being held in trust by your son?
In fact whenever I went there Lui left. He tried to avoid me. On one occasion I went there. He blocked the way. I asked him. He said "Do you realise you are mad?"
228. You paid Lo & Lo on 27/2/69 \$19,301.70?
Yes.
229. You demanded repayment at B-50 of 21/5/73 wrote to defendant of this sum?
I never instructed Lo & Lo. I had promised to pay.
Solicitors acted without my instructions.
- 20 230. Look at A-170 letter from Estate Duty Office.
On 23/10/68 Lo & Lo wrote to you at A-165?
I can't remember.
231. You replied in A-175 your signature on it?
When I wrote I did so in Chinese. Signature is mine. There was such a letter.
232. You received Lo & Lo letter 31/5/69 to you A-176?
I don't think so. Whenever I received letter I went to see him.
- 30 233. What you did with letter when received it from Lo & Lo?
I went to see him and failed to locate him. Took back to him to ask him to explain. Then ask some one else they referred me to Lui Kwai Lau.
235. A-176 about valuation of son's landed property?
I do not remember.

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No. 4
Notes of the
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Mr. Justice Li
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(continued)

236. Lo & Lo believed your son entitled to landed property?
He had none.
237. At A-178 Lo & Lo bargained with Estate Duty Office to reduce value of your son's landed property?
I do not remember this.
238. On 10/7/69 you wrote to Lo & Lo at A-180 — your signature?
It seems there is such a letter.
239. That is because Land Office wrote to you at A-179.
Seems there is such letter.
240. In A-180, no suggestion in fact son not entitled to property but only trustee? **10**
Whenever I wrote letter there is some Chinese version. Not necessary because there is power of attorney. That included everything.
241. At A-181 Lo & Lo wrote matter forwarded to you and referred to son as owner, no mention of trust?
I did not see this letter.
242. At A-183 Lo & Lo wrote you accepted valuation?
I did not.
243. A-185 Lo & Lo wrote to daughter-in-law saying they told you to refund her \$5,000? **20**
It was not like this.
244. She wrote to ask for refund of \$5,000?
Lo & Lo told me she asked for \$5,000 back.
245. She was poor?
Not very poor.
246. Your reaction was that you were short of cash?
No. \$5,000 repaid to her and she wrote acknowledging receipt.
247. Your repose no cash? **30**
I did not say that.
248. Why Lo & Lo wrote in that line?
The \$5,000 only to pay fees and charges Lo & Lo told me daughter-in-law paid \$5,000 fees to obtain the documents only.

249. See A-190 Lo & Lo wrote asked if out of \$7,628.75 refund of duty repayment of \$5,000 to widow?
No. Once paid never refund.
250. You agreed and money repaid?
No. I took money there to repay.
251. Then Lo & Lo remitted money there?
No.
252. See A-192 copied to you?
No. Whenever I received letter I went to Lo & Lo.
- 10 253. Estate Duty Office accepted proposition property belong to your son at A-194?
No. Should not be. Properties were mine only borrowed his name.
254. Informed by Lo & Lo that Estate Duty Office had no objection to grant of Letters of Administration.
So he told me and that if I paid these I would get Letters of Administration.
255. In September 1969 said Estate Duty Office agreed to grant? They told me when I paid up I could sell it and develop it.
- 20 256. You wrote to D. Chan of Lo & Lo to apply for Letters of Administration at A-195?
Yes. There is Chinese attached to it.
257. You knew there is a schedule of property annexed to Letters of Administration?
No. I only had a receipt and nothing else.
258. Your letter A-195 referred to such a schedule why?
I don't remember.
259. Lo & Lo replied on 10/10/69? A-196.
No. I did not receive letter.
- 30 260. Ever told you they had advised you there need be two administrators?
Never.
261. Para. 2 of A-196 read?
Lo & Lo had been told of Cheung Sau Ling to act as co-administratrix.

*In the Supreme
Court of
Hong Kong
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No. 4
Notes of the
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Mr. Justice Li
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(continued)

262. Did they give you the advice?
Not a letter like this.
263. You wrote A-198 to Water Authority your signature?
Yes. Signature was mine.
264. On 4/3/70 Lo & Lo wrote to you A-205 about necessity of
co-administratrix you received this?
It seems I received this letter.
265. They asked for instructions before they could act?
We had already supplied names of myself and my daughter.
266. You replied A-206 6/3/70 said son and daughter refused to **10**
act as administrator still said you told them?
But given their names. Not sure if these letters were the
letters I sent.

Adj. to 10 a.m.

Sgd. SIMON F. S. LI

10 a.m.

Cheung So Yin Kay (R.F.O.) P.W.1.

Cross-examination continued:

267. Found any Chinese documents?
Yes. I now hand to my solicitors in Court. **20**
268. Look at A-208 Lo & Lo letter to you 11/3/70, and you replied
at A-210?
Yes.
269. In A-210 you put query if you obtained Letters of Adminis-
tration if properties could be sold by co-administrators you
were talking about C-1 and 6-7 Canal Road?
Yes.
270. You used terms on properties as if your son's properties?
But they were purchased by me.
271. In your own terminology you referred to properties as **30**
deceased's property but not yours held on trust?
Before he died they were his properties. After he died they
were my properties.

272. Look at A-215/219 affidavit seeking Letters of Administration? *In the Supreme Court of Hong Kong High Court*
Yes.
273. Interpreted to you by Iu Yue Leung?
Yes.
274. Remember swearing this affidavit?
Not clear.
275. Look at A-212, Chinese translation of part of affidavit saw it before?
Yes, at Lo & Lo.
- 10 276. In para. 4 of A-212 you said deceased held immovable property?
Yes.
277. In para. 10 — value of estate as in A-217 gives value?
Yes.
278. True?
No.
279. Why swear it then?
I just don't understand.
- 20 280. This refer to A-194, as to value of property?
I simply don't understand this figure.
281. This figure includes value of the properties?
Oh! You don't mean cash.
282. Total value of your son's estate?
Yes.
283. Then in para. 13 at A-217 refer to minority interest meaning your infant grandchild David Cheung?
I don't quite understand.
284. David, your son's son, was entitled to succeed to son's estate?
It was purchased with my money how can he be administrator.
- 30 285. He is his son?
Of course. Even though he can give to his son before he died. After his death he should give back to me.

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Notes of the
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(continued)

286. Lo & Lo told you that as your son's son was infant it is necessary for his guardian to be one of co-administrator?
Did he say so.
287. Knew his guardian was your daughter-in-law?
I disagree.
287. Who was guardian?
I am.
288. You quarrelled because she took grandson to Australia?
No.
291. Your solicitor then wrote to daughter-in-law to withdraw her renunciation and to apply as co-administrator at A-226/228 this letter written on your instructions? **10**
No.
292. Your solicitors wrote to her again in A-233, wrote in term properties belonged to deceased this written on your instructions?
No.
293. These letters written by solicitor totally inconsistent with your instructions to solicitor that property held in trust by son for you? **20**
I agree.
294. Can explain why solicitor act contrary to instruction?
I asked them to show me letter and they said matter in hand of Miss Chan, solicitor.
She said "I'll write to your daughter-in-law and ask if she want. If she does not then you can have it."
295. Further letter B-44/46, para. 6 in B45, this written against your instructions?
Correct.
296. At A-240/241 refer to unhappy differences what was it? **30**
Lui Kwai Wing told me to obtain a loan from Wing On Bank. Just because I refused to obtain loan Lui said I'll be sued by daughter-in-law.
297. Look at A-247/248, told by Lo & Lo daughter-in-law asked defendants to look after son's estate?
This was never mentioned.

298. On 21/5/73 you instructed Lo & Lo to send certain documents to defendants?
Never.
See A-247!
299. At B-50, Lo & Lo wrote to defendants forwarding documents 21/5/73 said instructed by you?
I did not instruct Lo & Lo so.
I did not know about the letter.
300. Spoke on phone 28/8/73 with Lo & Lo and said you not prepared to withdraw my application?
Told to withdraw a few times. I refused.
301. You wrote to Lo & Lo A-259/260?
Yes.
302. Knew by 1973 Chartered Bank appointed Administrator?
No. Not until I read in newspaper.
303. In December 1973 asked you to hand over title deed?
I knew nothing about it. Relied on Lo & Lo.
304. Look at B-118, your signature?
It is my signature.
305. Letter you wrote to daughter-in-law?
It is a Chinese letter.
306. Look at this Chinese copy you kept?
Yes.
Original of B-118 — Exhibit G-1.
Chinese version — Exhibit G-2.
307. Letter to daughter-in-law said Letters of Administration granted to defendant?
That is because I read in newspaper.
308. You stakeholder and property belong to her and David and ask her to cancel authority to defendant?
Correct.

*In the Supreme
Court of
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Notes of the
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Honourable
Mr. Justice Li
10th April, 1978
(continued)

309. You meant if appointed administratrix you'll only be stakeholder?
I hope she could withdraw it and no dispute.
I'll get back my right and sue the bank.
310. What meant by stakeholder?
Meant that I could not take away with me. To ask her to cancel appointment of defendant.
311. You would hold as stakeholder for her to her son?
I would manage it.
312. That included C-1 and Canal Road? **10**
Yes.
313. To hold as stakeholder?
When I die the property will go to descendants.
314. Letter said nothing about 'when you die'?
No. But that was in my mind.
315. On 17/1/74 Tso wrote to Lo & Lo which wrote to you about delivery of deeds and rents you did not?
Not title deeds.
316. On 23/2/74 B-125 wrote to Tso putting claim? **20**
Yes.
317. Then Hampton and Winter wrote in 1974 to claim property belonged to you?
Yes.
318. Seven years after son's death?
That because I read in newspaper.
319. Money paid into Liu Chong Hing Bank account a reserve for redevelopment of Canal Road property?
It was not necessary.
320. Why put money in? **30**
That because I was afraid when I die son might need money.
321. In 1967 when daughter-in-law still in Hong Kong and when Letters of Administration question came up you told her she had to pay rates and she did pay rates in 3rd quarters 1967?
I don't remember clearly now. The demand note for rates not sent to her address.

322. You demanded her to pay?

No.

323. Never instructed Lo & Lo property not belonged to deceased but only held in trust for you?

I did. I also show them all documents and receipts.

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—
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(continued)

Re-examination :

When show Exhibit A-210, refer C-1 as properties of deceased and that before he died properties his and after his death property mine. I said all these.

10 C-1 bought 1959 and Canal Road 1964. In those days did not expect him to predecease me. No question of to whom property belong. While he is alive in 1959 and 1964 the properties belonged to him.

Plaintiff's case.

Adj. to 3.00 p.m.

Sgd. SIMON F. S. LI

3.00 p.m.

Mills-Owen :

Not calling evidence.

20 Yu: In light of plaintiff's statement in evidence that properties (C-1 and Canal Road) properties of the son before he died but hers after his death — even at time in 1959 — 64 everything else academic. Remain for Court to find her intent. Yet 1 or 2 matters.

Defendants rely on two matters :

(a) Registration in name of son. If she died first properties would not be her estate. However, still open to Court to open state — resulting trust.

(b) No mention of trust in any document. Same argument applies.

However, if so, no need to resort to resulting trust.

These two points would not take case further.

Have to rely on subsequent acts.

If she had not given those statements there is much to say about those two episodes — her accusation of Lo & Lo.

Correspondence could be reconciled. But in view of her statements academic.

As to counterclaim :

This is about Liu Chong Hing account :

- (1) Only evidence is that account No. 12198 opened by plaintiff in name of Cheung Ng Lun. **10**

Her money. Operated by chop in her possession or by signature written by plaintiff (She signed son's name).

- (2) Pled in defence and counterclaim, defence not aware of account.

Confirms what plaintiffs said. Operated by herself.

Only for son if she dies first. Son knowing nothing of this account.

On only evidence before Court submit should be estimate of son at any time. **20**

Plaintiff should have judgment.

Mills-Owens :

Presumption of advancement :

- (1) When father purchase property in name of child.
Less in case father purchase property in name of child.
- (2) Plaintiff accepted duty of providing for this son — in law presumption of advancement.
- (3) Onus on plaintiff to rebut this presumption.

If hold resulting trust slight evidence needed to rebut this.

See: Snell p. 177. loco parentis Re Orrue **30**

Garrett v. Wilkinson.

But further evidence I put to plaintiff :

- (1) Power of attorney required because son ill and the other son abroad.
- (2) Received rent and profit paid rates and tax — only on behalf of son.
Conveyances receipts.
- (3) Her conducts in relation to obtaining Letters of Administration Plaintiff not stupid. Knew what she was doing.
Paid \$19,000 duty on basis properties her son's estate.

*In the Supreme
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No. 4
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10th April, 1978
(continued)

10

Several years correspondence with Lo & Lo.

No difficulty in refusing statement of claim :

- (1) Declaration — no trust.
- (2) Consequential on (1).

Defence and counterclaim :

- (1) Death occurred before Law of Intestate enacted.
Chinese Law and Customs.
- (2) Follows plaintiff must deliver title deeds.

Account in Liu Chong Hing :

- (1) Plaintiff took out money day after son's death.
- (2) Prima facie — money in name of deceased.
- (3) Presumption of advancement.

She intended money to be deceased property.

Provision for him before he die.

See A-314 and 316.

Plaintiff had numerous personal account.

Intend account to be her sons.

Said son should have money when she died.

See: Shell page 179 (c).

20

For reasons given plaintiff's claim dismissed.

30

paragraph 1 to 4 counterclaim. Judgment to defendant.
paragraph 5-6 of counterclaim dismissed.

*In the Supreme
Court of
Hong Kong
High Court*

No. 4
Notes of the
evidence of the
Honourable
Mr. Justice Li
10th April, 1978
(continued)

Costs :

Defendant entitled to costs of claim and on counterclaim
only small part of counterclaim dismissed.

Defendant is trust Corporation.

Duty of defendant to act in interest of beneficiaries.

Only in 1974 that she is entitled.

Defendants agreed to act and not claimed by anyone.

See:

White Book 15/14/4.

Did not join beneficiary.

Order 62.

10

Defendant risk for interest of beneficiaries
Widow had to come a long way as for direction.

Yu:

Costs ordinarily follow events.

Not in matters of trust.

Dyer v. Dyer }
Sayre } no costs.

Obvious.

Said took on at risk — fought case on instruction of widow.

Misconception of law. Not to have costs against her.

Benefit \$1.5 millions.

20

Mills-Owens:

She is informed.

Not simple construction summon.

It is claimed against estate.

Have to be defended.

Defendant entitled to be reimbursed but costs against plaintiff.

Plaintiff's actions dismissed with cost.

Defendant have costs of counterclaim.

Party Party basis.

Special mention as to witness from Australia to be taken into
account.

30

Sgd. SIMON F. S. LI

IN THE HIGH COURT OF HONG KONG
ORIGINAL JURISDICTION
ACTION NO. 1169 OF 1974

*In the Supreme
Court of
Hong Kong
High Court*

*Plaintiff's
evidence*

BETWEEN :

CHEUNG SO YIN KAY

Plaintiff

and

THE CHARTERED BANK
HONG KONG TRUSTEE LIMITED

Defendant

No. 5(1)
P.W.1
Cheung So Yin
Kay
Examination

Date : 12th April, 1968, at 10.43 a.m.

10 Coram : LI, J.

Present : Mr. P. YU (Hampton Winter & Glynn) for Plaintiff
Mr. R. Mills-Owens (Deacons) for Defendant

Transcript of the shorthand notes taken by the court
reporters of the evidence in the above Action

CHEUNG SO Yin-kay Sworn in Puntí.

XN BY MR YU

Q. Madam you are also known as Madam CHEUNG So-hung?

A. Yes.

Q. You are a widow are you not?

20 A. Yes.

Q. And your late husband was CHEUNG Man-loi?

A. Yes.

Q. And your husband died in the '50's. I believe it is 1954?

A. Yes.

Q. And under his will you became the executrix?

A. Yes.

- Q. Now when did you move into C.1 — flat C.1? Perhaps if I may assist you. According to the documents the agreement for purchase was entered into in April or June 1959, but the conveyance, the completion, didn't take place until 1961.
- A. Yes.
- Q. Did you move into the flat soon after completion — that means after this deed — about 1961 or thereabouts?
- A. No. I don't remember clearly.
- Q. All right, it doesn't matter. Anyway, at some stage you moved into C.1 with CHEUNG Wood-lun. Is that correct? **10**
- A. Yes.
- Q. Now you have told us about your two elder sons, how the elder one, the eldest one did not live with you. Is that correct?
- A. Quite.
- Q. And the second son was in the United States too. Is that correct?
- A. Yes.
- Q. So that you only lived with your third son, now deceased, CHEUNG Wood-lun. Correct?
- A. At the time, the second son . . .
- Q. All right, CHEUNG Wood-lun anyway was the one who lived with you. **20**
- A. Yes.
- Q. Now I want you to cast your mind back to the time when you decided to purchase flat C.1. Now this flat was in fact purchased with another flat — C.4 — in the same building. Is that right?
- A. Yes.
- Q. And the total purchase price for the two flats was something between \$900 to \$100,000. Sorry — \$90,000 to \$100,000.
- A. Yes.
- Q. And the purchase was done through the offices of Messrs. F. **30**
Zimmern & Co.
- A. Yes.
- Q. Now if you have a look at your counterfoil cheque A072079 (My Lord this is page 23, document 5 of the 'A' bundle). Have a look at it now first. Now what is the amount of this cheque?
- A. Is it \$92,999?

- Q. And the date?
A. To my recollection it was the 2nd of June.
- Q. Which year?
A. 1959.
- Q. And the number of the cheque?
A. 072079.
- Q. Now would you have a look at this document — page 24 now my Lord.
A. In the beginning this was handed to Kam Hing.
- 10 Q. Is that the name of the company — of the vendors? Right.
A. Yes, and then I was told to hand it to Mr. Zimmern.
- Q. Did you pay a deposit initially?
A. No I did not.
- Q. Did you pay Kam Hing any amount of money?
A. I paid \$2,000 for Mr. Landi's expenses.
- Q. Would you have a look at your cheque book. Would you look at cheque No. A072080.
A. That was on the same day.
- Q. And the amount?
20 A. \$2,000.
- Q. And payable to Kam Hing also.
A. Yes, Kam Hing Co.
- Q. Did you receive a receipt from Messrs. Zimmern & Co.?
A. No.
- Q. Would you have a look at this document.
A. That is in respect of \$90,000-odd.
- Q. You received a receipt from Zimmern & Co. Is that correct?
A. I received this receipt.
- 30 Q. And at the right-hand bottom corner do you find the number for the cheque was there 72079?
A. Yes.

*In the Supreme
Court of
Hong Kong
High Court*

*Plaintiff's
evidence*

No. 5(1)
P.W.1
Cheung So Yin
Kay
Examination
(continued)

*In the Supreme
Court of
Hong Kong
High Court*

*Plaintiff's
evidence*

No. 5(1)
P.W.1
Cheung So Yin
Kay
Examination
(continued)

Q. Now this purchase price, the money that went to pay for these two flats C.1 and C.4, whose money was it?

A. My money.

Q. Now let us start with C.1. In whose name was that property registered?

A. That was in the name of my son.

Q. Which son?

A. The second one, CHEUNG Wood-lun.

Q. And C.4, in whose name was that?

A. My ninth son's name. 10

Q. I understand his name was . . . ?

A. CHEUNG Ng-sheong.

Q. Now you said you paid the whole of it. You paid the whole of the purchase price for these two flats. Right?

A. Yes.

Q. And yet you have them registered in one each of your two sons?

A. Yes.

Q. Why did you do that?

MR MILLS-OWENS: I am sorry, could the interpreter actually translate what she says my Lord? It is quite an important part of the case. 20

JUDGE: Would you like it to be . . .

MR MILLS-OWENS: I didn't quite catch what she said because of the noise.

JUDGE: Ask her to repeat she just said.

A. In purchasing these two flats my third son knew that his elder brother was sick in the United States, and so I purchased two flats in case both of them returned they would not be alone.

Q. At that time, at the time of the purchase of these two flats, did you have any other flats registered in the name of your eldest son?

A. You mean CHEUNG Sheong?

Q. Yes. 30

A. No.

COURT: I have to clarify one point. Who did you refer to as your third son and who did you refer to as his elder brother?

A. My third son is CHEUNG Ng-sheong. His eldest brother was CHEUNG Ng-chau.

*In the Supreme
Court of
Hong Kong
High Court*

*Plaintiff's
evidence*

JUDGE: You said your third son knew that his elder brother was sick in the United States. Now who was that elder brother?

A. I refer to the second son, CHEUNG Wood-lun.

No. 5(1)
P.W.1
Cheung So Yin
Kay

JUDGE: Now madam I know it is a bit difficult, because obviously you know all of your sons well, and you refer to them your first son, eldest son, second son or third son. You see sometimes you refer to one of your sons as the ninth child. For the record I think it is easier if you refer to them by their names. I think it would be clearer.

10

Examination
(continued)

Q. Now when you purchased C.1 and had it registered in the name of CHEUNG Wood-lun, did you at the same time have a Power of Attorney executed in your favour?

A. Yes, I wanted my sons to do this in favour of me.

MR YU: My Lord this is document 10, page 42.

Q. Likewise you had a Power of Attorney executed by your other son in respect of C.4. Is that correct — in your favour?

20

A. Yes.

Q. That is document 'F'.

A. That was my third son, CHEUNG Ng-sheong.

Q. Now apart from paying for the purchase price of those two flats, who paid the lawyers' expenses for the purchases?

A. I paid.

Q. Did either of your sons contribute any money to the purchase of these two properties?

A. No.

Q. And the receipts and the Bill of Costs from the solicitors etc. were all kept by you. Is that right?

30

A. Yes.

Q. Now in 1964 did you purchase . . . Do you remember in 1964 purchasing Nos. 6 and 7 Canal Road?

A. Yes I do.

Q. Can you remember how much was the purchase price?

A. Yes.

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Examination
(continued)

Q. How much was it?

A. \$320,000.

Q. And who paid this purchase price?

A. I. My money.

Q. Would you have a look at cheque A281037, Bank of Canton, page 58. This was in April 1964 was it?

A. Yes.

Q. Would you also have a look at this copy statement of your account with the Bank of Canton? Page 60 my Lord.

A. Yes. 10

Q. Now the payment of that amount was reflected in this statement.

A. Yes.

Q. Furthermore you have a receipt for this amount from Messrs. P. C. WOO & Co. This is page 59 my Lord.

A. Yes, against the receipt.

Q. At the time of the purchase you had another Power of Attorney in respect of this property executed by your son CHEUNG Wood-lun in your favour. Page 61 my Lord.

A. Yes.

Q. My Lord this was dated September. Now whose money was that 20
\$320,000 which went to purchase the property?

A. My money.

Q. Did your son CHEUNG Wood-lun contribute any part of it?

A. No.

Q. Who paid the lawyers expenses in respect of this purchase?

A. I.

Q. Now after the purchase of this property you had to pay compensation to some tenants.

A. Yes, Canal Road, No. 6 that is.

Q. Now if you have a look at documents 70 and 71 you will find receipt 30
from P. C. WOO & Co. in respect of payments by you to them for the tenants.

A. Yes.

Q. Now this property was likewise registered in the name of your son CHEUNG Wood-lun. Is that right?

A. Yes.

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(continued)
- 10 Q. Now at all times after the purchase of C.1 in Great Georges Building and Nos. 6 and 7 Canal Road properties, who paid the outgoings in respect of those properties?
- A. I paid.
- Q. Did any of your sons contribute any part of this — towards the payment of these outgoings?
- A. No, none.
- Q. Now going back to C.1, you lived in that flat, as you told us, with CHEUNG Wood-lun for some time.
- 10 A. Yes.
- Q. Your son CHEUNG Wood-lun got married at some time did he not?
- A. Yes.
- Q. I think it was some time in 1966 — the latter part of 1966. Is that right?
- A. Yes.
- Q. I think he married . . . Was he living with you at flat C.1?
- A. Yes, before he married he lived with me in C.1. After he got married I and my son went back to Tai Shek Street and stayed there.
- 20 Q. So in other words until the latter part of 1966 you lived in flat C.1 with your son.
- A. In 1966 we moved back to Shaukiwan and then my son got married.
- Q. Now after you and your son vacated C.1 when he got married, what happened to C.1? Who lived there?
- A. Nobody lived there.
- Q. Is anybody living there now?
- A. Yes.
- Q. Who?
- A. One surnamed TANG.
- Q. Is that person a tenant or not?
- 30 A. Yes, he is a tenant.
- Q. When was the flat C.1 first rented out?
- A. Some time, because of no water supply, so although it was rented out, the tenant stayed for a few months and then they moved away. But from this Mr. TANG, he has been living there, or had been living there, for two years.

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Q. So in other words after you and your son vacated C.1 the flat was vacant for a while — unoccupied for a while?

A. That's right.

Q. And then subsequently let out from time to time depending on how long the tenant would stay. Right?

A. That's right.

Q. Who collected the rentals from this flat — from the tenant of this flat — whenever it was rented out?

A. I.

Q. So from the time of the purchase of this property you paid all outgoings and collected any rentals which were payable? **10**

A. That's right.

Q. And before your son got married you were actually living there with your son.

A. Yes, in the Great George location.

Q. Now I want you to cast your mind now to the other flat — C.4 — which was registered in the name of your son CHEUNG Ng-sheong.

A. Yes.

Q. After you purchased it with your money, did you ever live in it?

A. It was rented to someone. **20**

Q. And in fact it remained tenanted all the time since purchase. Correct?

A. That's right.

Q. And who collected the rentals?

A. I.

Q. Such rentals as you collected from C.1 and C.4, did you keep for your own use?

A. It was deposited in my account. And then he mentioned about CHEUNG Ng-sheong. (sic)

Q. Well tell us what happened? **30**

A. It was in respect of flat C.4.

Q. So in respect of both flats you would collect the rentals and pay into your account. Is that correct?

A. In respect of CHEUNG Ng-sheong's case it was deposited in my account.

- Q. What about C.1 — CHEUNG Wood-lun?
 A. It was also.
 Q. But CHEUNG Wood-lun's flat was only rented out for short periods. Correct? You lived there initially.
 A. Yes.
 Q. And then after 1966 it was rented out for short periods because the tenant would move away. Correct?
 A. It was not up to 1967 or 1968, then someone came to live there.
 Q. Yes, it was left vacant for a while. You are quite right.
 10 A. That's correct.
 Q. And the tenant only stayed for a short while.
 A. Yes.
 Q. So that in fact in other words very little rental had in fact been collected from C.1 compared to C.4.
 A. Yes.
 Q. Now we come to Nos. 6 and 7 Canal properties. Was any rental collected from these two properties?
 A. In respect of No. 7.
 Q. And who collected the rental from No. 7?
 20 A. I.
 Q. And did you keep it also?
 A. Yes.
 Q. What happened to No. 6?
 A. It was burnt in the fire.
 Q. I see. Who paid the outgoings in respect of Nos. 6 and 7?
 A. I.
 Q. Are you still collecting rental from No. 7 Canal Road?
 A. No.
 Q. Why?
 30 A. It was taken over by a company.
 Q. When?
 A. Rent was not paid in February 1974.

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Q. Did you in fact ask for payment from the tenant?

A. I did.

Q. But did you succeed in getting payment?

A. No.

Q. That was after the Chartered Bank Trustee Ltd. became the administrator, is that right, of your son's estate?

A. Yes.

Q. And you couldn't get payment any more.

A. Quite so.

MR YU: Is your Lordship minded to take a mid-morning adjournment? 10

JUDGE: Yes, adjourn for twenty minutes.

11.31 a.m. Court adjourns

12.00 noon Court resumes

CHEUNG SO Yin-kay o.f.o.

XN BY MR YU continues

Q. Now madam, before I proceed, may I suggest madam if you could, perhaps you might raise your voice a little, because the air-conditioning makes it rather difficult for everybody to catch what you say. Just try. It is rather difficult. Now madam, this morning you have told us that you paid the purchase price of both C.1 and Nos. 6 and 7 Canal properties out of your own monies. 20

A. Yes.

Q. You had those properties registered in the name of your son CHEUNG Wood-lun.

A. Yes.

Q. Could you tell us why you did that?

A. Because he was sick and he was very sick. He would die any moment, so I always go to see him.

MR MILLS-OWENS: My Lord I rise with hesitation, but those instructing me suggest there may be some doubt as to the translation as to the word "dying". 30

A. When he became sick then he would not know the way to come back.

Q. Why did you have a Power of Attorney drawn up and executed in respect of each property in your favour?

A. Because I paid with my money and if I died it would be inherited by him, and if not then I will manage it myself.

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Q. How old was your son then — CHEUNG Wood-lun — roughly — in 1959 how old was he?

A. He was roughly 28 or 29 years old in 1959.

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Q. So that in 1964 he would be about 35 or 36.

A. I think it is about 32 years old — about 32 years old.

Examination
(continued)

10 Q. Anyway, in 1964 he would be in his thirties. Would you take it from the defence that in fact he would be just 30 in 1964?

A. He was born in 1934.

Q. Now either in 1959 or 1964 as far as you are aware, did your son CHEUNG Wood-lun have any means of his own?

A. No.

Q. Was he working during this period?

A. No.

20 Q. Now if I may change the subject a little. We have just dealt with C.1 and Nos. 6 and 7 Canal properties. What about C.4? Why did you have that registered in the name of your son Stephen — Ng-Sheong?

A. If I died then CHEUNG Wood-lun would have no company, so I specially purchased two flats so that he can keep company with CHEUNG Wood-lun.

Q. Were they on the same floor — adjoining flats or not?

A. Yes, on the same floor, both are on the first floor.

Q. And in fact you and Wood-lun did move into C.1 to live some time.

A. Yes, up to the time he got married.

30 Q. Now why did you and your son Wood-lun vacate C.1 when he got married?

A. Because the new flat had been built, so when he got married I liked him to stay in the new flat.

Q. You mean in Tai Shek Street?

A. Yes.

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MR YU: My Lord in fact it is common ground that the deceased son committed suicide. My learned friend and I agreed on that. I do not want to ask any questions unless the necessity arises. She would be upset I think.

JUDGE: Yes, that is agreed is it?

MR MILLS-OWNS: Yes my Lord.

MR YU: In fact I have also steered away from asking her further questions about his illness and so on.

Q. Now your son died, I believe in the early part of 1967, a few months after he got married. 10

A. Yes.

Q. And as a result of that did you go to Messrs. Lo and Lo?

A. Yes, I did.

Q. For what purpose?

A. Because I purchased some flats in the name of my son and I tried to ask them what I was supposed to do about it.

Q. When you said you purchased some flats in your son's name, you meant C1, No. 6 and No. 7 Canal properties?

A. Yes.

Q. Now which solicitor did you see in Lo and Lo? 20

A. I saw LUI Kwai-wing.

Q. Did you also see other members of the staff from time to time?

A. Yes, I did.

Q. Did you go there once or many times?

A. Many times.

Q. Now from the time you purchased these properties, that is one flat and two houses in — two numbers in Canal Road, until the time you went to Lo and Lo, who had possession of the title deeds to the properties?

A. Mr. LUI Kwai-wing, solicitor, advised me to have them deposited with the solicitor firm. 30

COURT: You are not answering the question. You've misunderstood it.

Q. Before you saw Mr. Lui, who had possession of the title deeds?

A. At that stage they were kept by me.

- Q. Yes. So up to the time you saw Mr. Lui, you had the title deeds.
- A. Yes.
- Q. As a result of advice given to you by Mr. Lui, you deposited the title deeds with Mr. Lui, is that right?
- A. I took those title deeds to the solicitor firm and I told them that my son had passed away and I wanted them to be registered in my name.
- Q. Why did you want the property registered in your name?
- A. Because I purchased it with my money.
- 10 Q. Did you say you filed your name to transfer back to your name?

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INTERPRETER: Yes, yes, it can be interpreted in that way.

COURT: Yes.

- Q. Now do you know anything about applying for Letters of Administration in respect of estate?
- A. Not until I read from the newspaper.
- Q. But did you give any instructions to Mr. Lui and receive any advice from him about your son's estate?
- A. He advised me to pay for estate duty. He said that, "Your daughter-in-law had waived her rights."
- 20 Q. Did you at any time through — instruct Messrs. Lo and Lo to apply for Letters of Administration?
- A. Yes, I did. He advised me that I had to apply for administration and after that I could have it built.
- Q. At one stage you intended to redevelop this property, correct, this Nos. 6 and 7 Canal Road property, correct?
- A. Yes.
- Q. In fact it was for that purpose that you paid compensation to some of the tenants, correct, through Messrs. P. C. Woo and Company?
- A. Right.
- 30 Q. That's the tenants of No. 6 Canal properties which had been burnt down.
- A. Yes.
- Q. Now you said, on advice from Mr. Lui, you deposited the title deeds with him at Lo and Lo.
- A. Well, I had to deliver the title deeds to him when I had to pay the estate duty.

Q. Did you pay the estate duty?

A. I did.

Q. How much was it?

A. Nineteen thousand dollars odd, and I have the receipt.

Q. Yes, I know. We will have to get it from you, Madam. You have to tell us. Did you subsequently get back the title deeds from Mr. Lui?

A. He told me that my daughter-in-law had taken them away.

Q. But eventually did you get them back?

A. Yes, I did.

10

Q. So except for the time after you deposited the title deeds with Lo and Lo, you had possession of the title deeds at all times.

A. That is correct.

Q. Are you aware of any monies paid by your deceased son's widow to Lo and Lo in respect of this estate matter?

A. Well, I know one thing, that the solicitor told me to — asked me for five thousand dollars for my daughter-in-law.

Q. To pay her back, right?

A. To pay her back.

Q. And did you do so?

20

A. Yes, I did.

Q. And who paid the expenses of Lo and Lo in respect of the estate matter?

A. I paid.

Q. Now would you take it from me that your deceased son's widow had sworn an affidavit, initial affidavit, as to the properties comprising the estate of your son?

INTERPRETER: As — what?

Q. Had sworn an affidavit for estate duty purposes in respect of your son's estate. And in this affidavit she included C1 and Nos. 6 and 7 Canal properties in the estate left behind by her husband. Now at a later stage you swore a corrective affidavit.

30

A. I?

Q. Yes. Did you not swear an affidavit prepared by Messrs. Lo and Lo?

A. Yes, I did. That was in 1972.

Q. Yes. It wasn't in 1972, Madam, you are wrong. I will give you the date.

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MR MILLS-OWENS: 6th February, 1969 and 2nd May, 1968.

MR YU: My Lord, if your Lordship will look at documents 5 and 6 of Bundle B.

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Q. In fact you swore two, one in 1968, one in 1969.

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(continued)

MR YU: P. 21 to P. 28, in fact.

10 Q. Would you take it from me, Madam, that two corrective affidavits were prepared for you to swear and you swore by Lo and Lo, one in '68 and one in '69? Would you take it from me that you were wrong about the date? It was in '68 and in '69 that you swore two corrective affidavits.

A. Yes, there was one sworn in 1969.

Q. And one in '68 too.

A. Yes.

Q. They were prepared by Lo and Lo.

A. Yes.

20 Q. Now I see that in neither of these did you seek to exclude, take out from the estate of your son Nos. 6 and 7 Canal properties, or C1, Flat C1 — neither of those three properties.

A. Well, I have said that I purchased them.

Q. Now you have already told us that you in fact made application for L.A. in respect of your son's estate.

A. Yes.

Q. In what circumstances did you discover that the Chartered Bank Trustee Limited had obtained L.A.

A. By chance I read it from the newspaper. So I went to see Mr. Lui to make inquiry.

30 Q. Which? Was it a Chinese newspaper?

A. Yes.

Q. Which paper?

A. Wah Kiu.

Q. In fact you still got a copy of it?

A. That I have handed to you.

Q. You still have — you have a copy?

A. Yes, yes.

Q. That was an advertisement advertising for claims against the estate, correct?

A. Yes.

Q. As a result, you went to see — were you surprised that Chartered Bank Trustee Limited and not you got Letters of Administration to your son's estate?

A. Yes, I was surprised.

Q. So you went to see Mr. Lui of Lo and Lo.

10

A. Yes.

Q. Did you also go to see Mr. K. Y. Tso of Tso and Company who were then the solicitors for Chartered Bank Trustee Limited?

A. Yes, I did.

Q. In fact you went to see both Mr. Lui and Mr. Tso a number of times.

A. Yes. I only saw Mr. Tso once.

Q. I see. But he rang Mr. Lui in your absence and you went back to see Mr. Lui, correct?

A. He phoned Mr. Lui in my presence. He told me that he had nothing to do with it. 20

Q. And you did not get satisfaction and eventually you went to see Mr. Gordon Hampton.

A. Yes.

Q. And commenced these proceedings.

A. Yes.

Q. Madam, have you ever made a will? Have you ever had a will made?

A. No, I did not have a will myself.

Q. Now your elder son, you said he is a businessman, right?

30

A. Yes.

Q. Is he married?

A. Already.

Q. And is he independent?

A. Yes.

Q. And you have never given him any property.

A. No, I haven't had my estate distributed yet.

Q. CHEUNG Wood-lun is your second son.

A. Yes.

Q. And you had C1 as well as Nos. 6 and 7 Canal Road registered in his name in 1959 and 1964, respectively.

A. Yes. Yes, I used his name.

Q. You used his name. And you said that after you died, after you were dead, he could have the properties, is that right?

10 A. Yes, so as to save him from going through all those processes.

Q. You mean the . . .

A. The process for application.

Q. In respect of CHEUNG Ng-cheung, the third son, you had C4 registered in his name only.

A. Yes.

Q. Now this Tai Shek Street property, the new flat into which your son moved when he got married, was that also your property?

A. Yes, it was.

Q. Registered in your name?

20 A. Yes.

Q. And it's still registered in your name?

A. Yes.

Q. Was it your idea to move out of C1?

MR MILLS-OWENS: "Whose idea was it?" please.

MR YU: Yes.

Q. Whose idea was it to move back from C1 into Tai Shek Street when your son got married?

A. My idea.

Q. And did he live in Tai Shek Street until he died?

30 A. Yes, he did.

Q. And during this period did you live with him also?

A. Yes.

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(continued)

Q. Did you know your deceased son's widow before they got married?

A. She moved to stay at our place on the Peak. I know.

Q. Would you tell us in what circumstances did you come to know her?

A. She was introduced to me by my niece CHEUNG To-chun. At that time she was studying in a school in Caine Road. I don't remember whether it was Wah Ying or Ying Wah School. And she said that she had no place to live, so she moved to stay in our place on the Peak.

Q. Which part of the Peak?

10

A. I think it is Oblong Village. It was a stone house. Oh Pui Lung Village.

INTERPRETER: There may be an English name. I don't really know. The name could be either "Oblong" or . . .

Q. When was that?

A. She did not stay there for long. I don't remember when she moved there.

Q. It's Oh Pui Lung — "O-H P-U-I L-U-N-G" Village, right?

A. Yes.

Q. It's a hut, is it? Or was it a primitive house? Was it a primitive stone house? 20

A. Yes.

Q. So in other words, she had been known to you and your family for some time.

A. Yes.

Q. Did you know when she went to Australia with your third son?

A. After she had completed her study in Australia, she came back and then she came to know my son. And when there were the riots or disturbances in Hong Kong, she went again.

Q. She went in fact in '67, at the time of the riots, after your son's death, correct? 30

A. Yes, after the marriage.

Q. After the marriage. Your son died in March '67.

A. Yes.

Q. When did your daughter-in-law, the widowed daughter-in-law, leave for Australia? Do you know? If you don't know, just say so.

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A. I don't remember clearly.

Q. Did she consult you before she went?

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A. Her mother did mention about that. Her mother said, "We will be going to Australia."

Q. And not your daughter-in-law.

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A. No. After she had given birth to her child, she hasn't come back to stay.

Examination
(continued)

10 Q. She had not come back to stay. Did you see her again before she went to Australia?

A. I did.

Q. You went to see her.

A. I saw her in the church.

Q. I see, in church. She didn't come back to see you at all.

A. Seldom, she seldom.

Q. Did you go to see her?

A. I saw her in the church.

Q. Only in church, is that right?

20 A. Yes.

Q. Which church was this?

A. In So Kun Po, a church known as Holy Light Church or Saint Kwong Church.

MR YU: My Lord, I think I have finished, my Lord, but it may be — if I can reserve until this afternoon — if I may ask the case to be adjourned now, I think I may have one or two questions on looking through my — checking with Mr. Patrick Chan's notes.

COURT: Yes, certainly.

30 MR YU: Would your Lordship grant me your indulgence to adjourn now. I think I have finished, my Lord. (A pause.) Yes, I do have a few questions. I have nearly forgotten about the counter-claim. I have to ask her a few questions about it. Perhaps we will deal with it in the afternoon.

COURT: Yes. Two-thirty.

12.38 p.m. Court adjourns.

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(continued)

2.38 p.m. Court resumes.

Appearances as before.

P.W.1. CHEUNG So Yin Kay — O.F.O.

XN BY MR YU (continues):

COURT: Yes, Mr. Yu.

Q. Now, madam, I don't know whether you remember an account — bank account with the Liu Chong Hing Bank, No. 12198 — 12198. I think that was an account opened in the name of your son, CHEUNG Ng Lun.

A. I had it opened.

10

Q. Yes, but in the name of CHEUNG Ng Lun?

A. Yes.

Q. Did your son even know of this account?

A. No, he did not.

Q. Whose money was it that was put into this account?

A. My money.

MR YU: If your Lordship would look at 'A' 300 you will find a specimen card there.

Q. Now, madam, you can perceive that this is a specimen card of that account; it's operated either by chop or signature.

20

A. Yes.

Q. Would you look at the chop first? Who had that chop made? Who had it made?

A. It was given to him by his brother-in-law.

Q. I see, and who had . . .

COURT: Just one moment, please. By 'brother-in-law,' did I understand the witness to mean the husband of a younger sister?

INTERPRETER: Yes.

Q. And who kept this chop?

A. I.

30

Q. I see. And was it made — who took it to the bank to put it on this card?

A. I.

- Q. And after you had opened this account who kept this chop?
 A. I.
- Q. Would you look at the signature next to the chop, CHEUNG Ng-lun?
 A. Yes.
- Q. Who wrote those words?
 A. I.
- Q. At any time during the lifetime of your son, CHEUNG Ng-lun did he manage this account at all?
 A. No.
- Q. Why did you open this account in the name of CHEUNG Ng-lun?
 A. I was afraid that if I die he might not have money to spend. (Pause)
- Q. Are you well enough to go on, madam?
 A. I am all right.
- Q. Now after the death of your son you closed this account and drew out the money?
 A. Yes.
- Q. Thank you, my Lord.

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10

XXN BY MR MILLS-OWENS:

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examination

Q. In fact, madam, the very day after your son died you drew out \$122,800, did you not?

A. No.

Q. You deny that?

A. No.

Q. I suggest to you that your son died on the 19th of March, 1967, and on the 20th of March, 1967, you went to the Liu Chong Hing Bank and withdrew the whole of the money in that account, namely, \$122,800. Would you like me to show you the documents? **10**

A. No, there were only a few thousand dollars.

Q. Would you look, please, at bundle 'B', page 165? That, madam, is a letter from the Liu Chong Hing Bank Ltd., it refers to your son, is addressed to the defendant, and says:

“ We supply to you the information as follows:—

1. The balance of the account as at 19th March, 1967 is \$122,800.00.

2. The account was closed by our Bank as there was no balance in the said account as at the close of business on 20th March, 1967. The balance was withdrawn in cash by withdrawal slip chopped with the chop operating the account and the person collecting the same was not recorded.” **20**

Do you agree with me that the amount that was withdrawn was \$122,800?

A. No, I did not.

Q. All right.

COURT: Did not?

A. No, I did not. **30**

Q. I did not?

INTERPRETER: I didn't.

Q. All right. Will you look, please, at pages 304, 306, 308?

COURT: Of?

MR MILLS-OWENS: Bundle 'A', my Lord. 304, 6, 8, 10 and 12 of that bundle. (To Interpreter) Please show the witness those papers, 304, 306, 308, 310 and 312.

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Q. These are five withdrawal slips and each of them is dated the 20th of March, 1967, each of them is a withdrawal by you of funds in that account.

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(continued)

A. Yes.

Q. The first one is for 10,000 — I'm sorry, 12,000.

10 A. Yes.

Q. The second one is for 28,000.

A. Yes.

Q. The next one is for 56,800. Yes, what's the answer?

A. They were deposited by me.

Q. I'm talking about the money you took out now, madam.

A. I deposited them and I withdrew them.

Q. So may I take it then you agree with me that you withdrew that sum of \$122,800 from that account the day after your son died? Yes or no.

20 A. I don't remember when I withdrew the money but I did deposit money and I did withdraw.

COURT: The question is not whether the money was put in by you or by anyone else, but the only question you are asked is whether on the 20th of March you withdrew a total of \$122,800.

A. I did not withdraw so much that day.

Q. Madam, we have got ten days for this case, and I'll take such time as is necessary to get the facts from you. Now please look at these withdrawal slips which you see are dated the 20th of March. Will you agree with me that the withdrawal was on that day?

30 COURT: Can she read? Can she read?

A. Not quite, sir.

COURT: Are you illiterate?

A. I know some.

COURT: You know your signature? Do you recognise your own signature?

A. Yes.

COURT: All right. Put it to her one by one, Mr. Mills-Owens. First look at 304.

Q. 304, is that your signature?

COURT: CHEUNG So Yin Kay?

A. Yes, my signature.

Q. And next to it is the chop that you used?

A. Yes.

Q. Please turn to 306.

A. The chop of my son actually.

COURT: The chop of your son. We can take it that you recognise that that is a refund on fixed savings, interest and deduction after — and deduction of tax, that is a total sum of \$12,000. Do you see that? **10**

A. Yes, but I don't remember clearly.

COURT: Well, now that your memory is refreshed do you recognise that?

A. Yes. Is it in respect of a pass-book?

COURT: That is the account in the Liu Chong Hing Bank in the name of your deceased son.

A. Yes.

Q. Right. Now please turn to 306. Is that your signature?

A. Yes. **20**

Q. And next to it the chop of your son that you used to withdraw \$28,000?

A. Yes.

Q. Please turn to 308. Is that your signature?

A. Yes.

Q. And next to it the chop of your son that you used to withdraw \$56,800?

A. Yes.

Q. Please turn to 310. Is that your signature at the bottom?

A. Yes. **30**

Q. And next to it the chop of your son that you used to withdraw the sum there, 16,259.50?

A. Yes.

Q. Please turn to 312. Is that your signature?

A. Yes.

Q. And next to it the chop of your son that you used to withdraw the sum there of 10,169.63?

A. Yes.

Q. The total of the capital amount is \$122,800 and there is some interest as well.

A. I don't remember how much but I have them deposited in case if I die then he could have money and he could withdraw money without my signature. He can use the chop.

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10

COURT: The question was — never mind what your intention was, never mind whose money it was, but you did withdraw from that account a total of \$122,800 plus interest from that account on the 20th of March?

A. Yes, I agree.

Q. You are, I believe, a very wealthy woman. Do you agree?

A. Yes.

Q. Can you estimate your wealth in terms of Hong Kong dollars?

A. You mean cash? I have some real properties.

20 Q. Yes. Are you able to give us an estimate of the total value of your assets?

A. I can't give you an estimate because it depends on the price and the value of the land.

Q. All right. Many millions of dollars?

A. I don't know.

Q. Would you disagree with a suggestion that you are worth, say, ten million dollars or more?

A. I dare not say that I agree because they have not been disposed.

COURT: I'm sorry?

30 INTERPRETER: "I dare not say that I would agree because they have not been disposed."

Q. Do you have bank accounts in your own name?

A. You mean in Liu Chong Hing Bank?

Q. No, I am just asking you generally now. Do you have bank accounts?

A. Yes, I have.

Q. How many?

A. Liu Chong Hing Bank one account, and there is another account in the Canton Bank.

Q. Yes, any more?

A. And there were other accounts with small amount or odd amount.

Q. Yes. How many accounts altogether do you have?

A. Some of them had not been activated. 10

Q. My question was, madam, how many accounts?

A. I have three or four accounts.

Q. Were each of those in your own name and operated by your signature?

A. Yes.

Q. This account with the Liu Chong Hing Bank from which you withdrew these monies was different because you did not put it in your name, you put it in your son's name.

A. I had the money transferred to this account.

Q. Yes, and the reason, I suggest, for putting it in your son's name was because your intention was that the funds that went into that account should be your son's funds. 20

A. No.

Q. Why put it in his name?

A. I was afraid that in case I died he would not have money to spend.

Q. So you wanted to give him money?

A. Not to give him money; I can withdraw that at any time.

Q. Do I understand you to be saying, madam, that your intention for putting it in his name was to get round the fact that accounts are frozen when people die? Is that it? 30

A. Oh, no.

Q. Then why not simply put the money in your own account and leave it to him in your will?

A. In my own name account then I have to sign in withdrawing, but in this account it can be operated by using a chop, and if I die then he can draw money by using the chop.

Q. And you consider that he would indeed be entitled to withdraw that money? *In the Supreme Court of Hong Kong High Court*

A. Once I die, yes.

Q. Now you've mentioned properties. I believe you own a number of flats in a building at 25 to 27, Tai Shek Street? *Plaintiff's evidence*

A. Yes.

Q. That is a post-war building, is it not?

A. Yes.

Q. And how many flats do you own there?

10

A. Eighteen flats.

Q. And are those flats registered in your name?

A. Yes.

Q. Do you also own property in Fung Yan Industrial Building in Shaukiwan?

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(continued)

COURT: Fung Yan?

MR MILLS-OWENS: Fung Yan, my Lord. I hope my pronunciation is correct.

COURT: Yes.

A. Yes, I have.

20

Q. How many flats do you own there?

A. Six.

Q. And are those registered in your name?

A. Yes.

Q. Do you have other property?

A. Yes.

Q. Please tell us what other property you own.

A. St. Cross Street in Sai Wan Ho.

Q. St. Cross Street, you say. What have you got there?

A. I have another eighteen flats.

30

Q. And those are registered in your name?

A. Yes.

Q. And all of these flats, presumably, are managed by you?

A. Yes.

Q. You pay the outgoings and collect the rent?

A. Yes.

Q. You are an experienced person in buying and managing property?

A. Not quite.

Q. For how many years. When did you start buying property?

A. I started to buy property in 1932.

Q. So you have some 46 years of experience in buying and dealing with property.

10

A. I don't have much experience; I did buy.

Q. So I'm sure, madam, therefore you appreciate the difference between the large number of flats that you have purchased and registered in your name and the properties that we are dealing with in this action which were bought but registered in your son's name.

A. Just because I — in case I die then they could be given to him instead of going through the procedures in changing after I die.

Q. Do I understand your evidence to be that if you had died first these properties would not have formed part of your estate?

A. Which property you are referring to?

20

Q. C.1 and Canal Road.

A. Once I die then they will not belong to me, but if I still survive they belong to me.

COURT: The question was that if you die then such properties would not form part of your estate. By your answer do I understand that you agree with it?

A. The thing is that when I am still alive I can have them disposed of.

COURT: Well, I'm certain that applies the same with your flats in the Fung Yau Building, that applies with your flats at Tai Shek Street building and that applies to your flats in St. Cross Street.

30

A. Yes.

COURT: But if you did not dispose of them and sell them during your lifetime by the time you died it formed part of your estate, St. Cross Street or Fung Yan — Fung Yau building.

A. It all depends whether I need money or not.

COURT: You have not sold it yet.

A. Quite so, my Lord.

COURT: Supposing that you die one day without selling them.

A. Yes.

COURT: And those flats would form part of your estate.

A. Yes, my Lord.

10 COURT: But the Flat C.1 in Great George Building and the property at 6 and 7 Canal Road, if you happened to sell it, I suppose from your point of view that would be the end of the matter. You may pocket the proceeds and that would be a subject matter of another action, but if you — one day you die without selling them, such property would not form part of your estate. Do you realise that, because it was not registered in your name?

A. I can say that I borrow his name or I use his name in buying, and I could dispose them at any time.

Q. Madam, let's get back to the question that I asked you. I will put it a slightly different way. I'm talking about Flat C.1 and the Canal Road properties. It was your intention that those properties should not form part of your estate when you died?

20 A. But they still belong to me.

Q. Just answer my question, please.

A. By that time I can have a new will made.

Q. Now will you please answer my question? It was your intention that those properties should not form part of your estate when you died?

A. I disagree.

Q. Then we can go back to the beginning and I'll ask you the question again. Why were they registered in your son's name?

30 A. Because my son was sick and I tried to keep him occupied by something, and I intended to have a plan drawn up and developed.

Q. Why were they registered in your son's name?

A. Because once I die — sorry, before I die the place can be developed and the flats can be distributed and I intended to have the name changed back to mine.

Q. Why did you not put them in your own name?

A. Because I am old.

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(continued)

Q. What has that got to do with it?

A. I might collapse or faint at any time when I went out to look for my son, because I have to go around to look for him at night-time.

Q. What has that got to do with the name in which you put the flat?

A. I asked my son to give me a power of attorney.

Q. Why did you not put the flat in your own name? Why did you put it in your son's name? Please answer the question I'm asking you.

A. Because I am old, I don't use my name.

COURT: You have gone round exactly one circle already, if not twice. 10
You were asked why should you not have the property registered
in your own name. You said you are old. You have been asked
what age has to do with it, and you said you have to go out and look
for your son, and as you are old you might collapse and die, and
you have been asked once, you have given exactly the same answer
for the second or the third time. All these answers are not
answering the question.

A. To my recollection I borrowed his name.

Q. Why?

A. Because I am of advanced age. 20

Q. Why do you need to borrow his name?

A. And once I die then it belongs to him, but before I die I can get
it back.

Q. You have a large number of . . .

COURT: Well, let me just put one last attempt to see whether you've come
to face things. In your answer you say that when you die the
property will belong to him if he survives you.

A. Yes.

COURT: When you die nothing, very little things would belong to you; you
wouldn't need anything, would you, anyway? As far as you are 30
concerned, you don't hear, you don't see, you don't look, you don't
eat, you don't possess. You couldn't care less.

A. Yes.

COURT: You just wash your hands, as far as this court is concerned.
Well, it may be a simple answer for you but it's not so simple for
others. There were those people who survived you and there were
those people who had looked after your affairs after your departure.

They can't leave everything in the air. So far as the property of Tai Shek Street, of the Fung Yau Building and the St. Cross Street which are registered in your name must of necessity form a part of your estate, meaning what you left behind.

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Hong Kong
High Court*

A. Yes.

*Plaintiff's
evidence*

10 COURT: In so far as Flat C. 1 and 6 to 7 Canal Road East, they were not registered in your name, although you — however strongly you feel and however strongly the position that the position of these — these properties belong to you, once you die you carry that memory with you. As far as the outsiders are concerned, the lawyers, the solicitors to look after your estate, your children, they — the properties are not in your name, they don't even know unless you tell them beforehand that they are not yours. They cannot revive you and ask you, "Madam Cheung, what exactly is the position? What did you intend during your lifetime?" How were they to know? The only way to treat it is as precisely in your answer, that "Once I die my son will be in possession of the property without the trouble of getting further registration." That's in your answer yourself. Otherwise if a property at all times belonged to you, then 20 even though it was in your son's name he would have to prove that the property was inherited from you, otherwise these properties would go to the pool of your estate.

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A. If they were purchased with my money they belonged to me, and I could have them disposed of at any time.

Q. Madam, I'll come back to that. Your husband died in 1954?

A. Yes.

Q. Was he a good husband and father?

A. Yes.

Q. He left the whole of his property to you?

30 A. No, the property did not belong to him.

Q. Perhaps you misunderstand my question. I said he left the whole of his property to you?

A. No.

COURT: Did he leave you anything?

MR YU: Mr. Interpreter, whatever the husband had he left to her.

A. My husband only had his business and other property did not belong to him, except the business.

Q. Do you agree with me that the whole of such property as he had he left to you?

40 A. No, not so.

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COURT: Do you mean he left you destitute?

A. Except the shop.

COURT: Well, was that all he had?

A. Yes.

COURT: Would you please not be that difficult? This is just talking about your deceased husband who must be dear and near to you. According to counsel — according to your answer, all your husband had was his business.

A. Yes.

COURT And you said he left his business to you. 10

A. Yes, and they were operated by my son.

COURT: In other words, was the business given to you or given to your sons?

A. It was given to me but I did not manage it.

COURT You claimed ownership of it?

A. Yes.

COURT: All right. All that counsel asked you was that your late husband left all he had, the whole of his property, the whole of whatever he possessed, his earthly goods to you. All his earthly goods he left to you. 20

A. He had nothing except the business.

COURT: That he has given to you.

A. But I didn't have money for tide over.

COURT: You give me the impression, madam, that you are a very difficult woman indeed. You are not even satisfied with what was left to you by your husband.

A. I just don't know what to say.

COURT: It is a very simple question and it merits a very simple answer. If there is any difficulty you create the difficulty for yourself.

Q. Please look at page 4 of Volume 'A'. That's your husband's will. 30

A. Yes.

Q. And by that he devised and bequeathed all his real and personal estate whatsoever to you.

A. Yes.

Q. And at page 6 and 7 you applied for a grant of probate.

A. Yes.

Q. And probate was granted to you.

A. Yes.

Q. Pages 9, 10, 11, 12 and 13 set out the schedule of property of your husband.

A. Yes.

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COURT: Page 8, is it, to 11?

MR MILLS-OWENS: 8 to, I think, 13.

10 COURT: Yes.

Q. And please look at pages 14 to 16. That is an account of your husband's assets and is signed by you at page 16, is it?

A. Yes.

Q. That shows under Item (1) he left \$2,000 cash, under Item (2) he left a sum of 20,000 odd dollars which was the credit balance of two bank accounts as set out at page 8.

A. Yes.

Q. And is that your signature at page 8?

A. Yes.

20 Q. And then if you turn back to page 15.

A. Would you tell me the year of this document?

Q. Yes, just a minute. 1955, March 1955.

A. Yes.

Q. And then at page 15 again Item (9), half way down, deals with what you refer to as his shop, in fact his business under the name of CHEUNG Loy.

A. What item are you mentioning?

30 Q. Item (9), it says, "Please see Schedule 'B' hereto annexed, under the shop name 'Cheung Loy Importer-Exporter & Manufacturers' Representative", the value being \$360,779.

A. I have a hundred thousand dollars in this.

Q. Sorry, I don't understand you, Madam.

COURT: She is referring to page 17.

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MR MILLS-OWENS: Yes, my Lord, I am much obliged. I though I was referring to page 15.

Q. I am referring you to 15, Madam, Item (9), there is the valuation of your husband's business under the name of CHEUNG Loy.

A. Yes.

Q. That business was left to you as you say.

A. Yes.

Q. So, and again I think you've identified your signature at page 16. Is that your signature also at pages 17, 19 and 20 on the same composite document?

10

A. I am not quite sure whether the signature appeared in page 16 was my signature or not.

Q. 17, 19, 20 and 21.

A. The other appear to be my signatures.

Q. Yes. So let me see, would you agree this, that you got a grant of probate for your husband's estate and you handled the estate yourself and you presumably instructed solicitors to prepare these documents and you signed them for the purpose of processing the grant?

A. I remember that in 1975 I did not sign anything.

INTERPRETER: She referred to the date at the bottom of page 16, the chop date. 20

Q. Madam, I don't want you to be confused. I am asking you about your husband's estate, not about your son's estate. Your husband died in 1955, the documents signed shown to you at the moment relate to your husband's estate. All right?

COURT: All the documents are chopped with the same chop of the same date signed by the Commissioner of the same person. It only means that these are copies. That's all. Do you agree that in 1954/55 you applied for probate to administer your husband's estate through solicitors?

30

A. But all these documents were not given to me.

MR MILLS-OWENS: Just take the document away from her for a moment please.

COURT: Did you?

A. During this year something was done in the solicitor firm by LUI Kwai-wing and I was only given two documents instead of this.

COURT: Did you or did you not apply for probate through the solicitors? We are just asking you this, just as simple as that.

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Court of
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A. Yes, I did.

COURT: All right. This question was asked of you five minutes ago.

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evidence*

Q. And you got a grant of probate through Lo & Lo to your husband's estate.

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examination

A. Yes.

Q. And at that time presumably you had to tell Lo & Lo what your husband's assets consisted of.

(continued)

10 A. No, only LUI Kwai-wing mentioned it.

Q. How did he know what your husband's assets were?

A. I don't know what he had in his estate and I had no intentions to apply for it.

Q. Didn't you explain to Mr. LUI that your husband only had a shop and some money in the bank, tell him what he had for the purpose of preparing the documents?

A. No, it was Mr. LUI the solicitor who mentioned all this.

Q. But he must have found out from someone else, presumably from you.

20 A. Only two documents were given to me and one of these was in respect of probate and he said, "All you have to do is to hold this paper and it will do. That will be all right."

Q. All right. So your husband made no provision for his children. He left his property to you.

A. LUI Kwai-wing said so — "You hold this paper and it will be all right."

Q. I don't know whether you can answer this question, but isn't it normal for a father to, in a Chinese family, to leave his property to his sons?

30 A. Yes, he made no provisions for the son or sons.

Q. So who was going to make provision for his sons then if he didn't?

A. When the war ended we came back and my husband was sick and my husband mentioned that he would like to have a will made. It happened that he knew one CHEUNG Sing of Messrs. Lo & Lo, and eventually a will was made with Messrs. Lo & Lo.

Q. All right, let's get straight to the point, Madam. Since your husband did not provide for his children in his will, may I take it then that it was left for you to provide for his children?

A. How could I make provision before I die? But if everything is ready, then I would.

Q. Just answer my question please. Since your husband did not make provision for his children it was left for you to make provision for the children.

A. I did not make up my mind yet what to give to my son and to which one. 10

Q. Presumably though when your husband died you accepted that it was your duty to bring up, maintain and provide for the children.

A. Not necessarily so. I have never bothered myself to his business.

Q. Who did you expect to provide for them if it wasn't going to be you?

A. The business was left to my son or sons.

Q. The position with regard to the business is that it was left to you but the elder son took over running the business.

A. It was he who managed the business, all the way I did not manage the business. 20

Q. But so far as the other children were concerned who was to provide for them and how?

COURT: Please Madam. Would you please interpret that, Mr. Interpreter, so far her first sentence. "When my husband gave me an allowance I would provide more for them." Is that right? Is that what you said?

A. The husband only gave me household expenses. As for school fees and other expenses they were provided by me.

COURT: You know perfectly well that counsel was asking you about the time after your husband's death. After he died how could he pay you maintenance or household expenses? The question you were asked was after your husband died who was to provide for the younger children. 30

A. I.

Q. Thank you. And, for example, so far as your deceased son, that is CHEUNG Ng-lun is concerned you did indeed provide for him after your husband died. You provided him with accommodation.

A. He lived with me.

Q. And did you charge him rent?

A. No.

Q. What about food? Who paid the household bills?

A. I paid for it. We ate together.

Q. What about things like educational expenses while the children were still studying?

A. I paid for it.

Q. And quite properly too, because you regarded it as your duty to incur that expenditure for your children.

10 A. Yes.

Q. When your son CHEUNG Ng-lun went into Castle Peak Hospital in 1958, who arranged for that?

A. Not to Castle Peak but to a hospital in High Street.

Q. I see. Have I got the wrong one? Sorry, Madam, I've been slightly misled by the medical report at page 281 and 282. In any event he went into hospital for treatment, who arranged for that?

A. I made the arrangement because he was running about.

Q. And while he was actually in that hospital . . .

MR MILLS-OWENS: Page 282, my Lord .

20 Q. Whilst he was actually in that hospital the flat C1 was purchased and was purchased in his name.

A. He was in hospital in mid-September, 1958, and he was running about. It was up to Christmas time in . . .

COURT: He was running about.

INTERPRETER: Yes.

A. It was up to December, Christmas time of 1958. It was in 1960 that the flat was purchased.

COURT: In December.

INTERPRETER: '58. and the flat was purchased in 1960.

30 COURT: But in 1950 the flat was purchased?

INTERPRETER: In 1960 the flat was purchased.

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COURT: I just want to repeat my note. He was in hospital in mid-1958. Did she say that he was in hospital in mid-1958?

INTERPRETER: Yes, middle of September, 1958, and then she mentioned up to December, Christmas time of 1958.

COURT: After December 1958 he was running about.

INTERPRETER: I'll check this further.

A. He left the hospital and he was running about.

COURT: But in December, he left in December.

INTERPRETER: '58.

COURT: And he was running about.

10

A. He was abnormal when he returned from hospital. He was going about. The flat C1 was purchased on the 2nd of June, '59.

Q. Yes, let me just put the dates to you, Madam, because there seems to be a little bit of confusion. As you say, the flats were purchased, Flats C1 and C4 were paid for in June 1959.

A. Yes.

Q. Now the hospital have written your solicitors a letter giving the dates when your son was in hospital for treatment, and those dates are between the 11th of September, 1958 and the 23rd of May, 1960.

A. That was another occasion he was admitted to hospital. He was admitted to hospital on several occasions. On and off he was discharged and readmitted.

20

Q. Well, the medical report as we have in the form of a letter says that he was in hospital for this period and it was during this period that the flat was purchased.

A. No. He was discharged and returned at the end of June, 1958, and in the middle of September, '58 he was admitted to the High Street Hospital, and when it was close to Christmas time in December he was discharged. Then he was going about, and in 1960 odd years he was again admitted to hospital.

30

COURT: You mean he had come home and near Christmas '58 he had never been back to the hospital, went to hospital until 1960 or after 1960?

A. Yes.

Q. Can I assume, Madam, that the reason that you got this power of attorney from your son was because of his mental illness?

A. Yes, but I paid for the flat with my money and I also borrowed his name.

- Q. You see, you certainly did not get any declaration of trust signed by your son at the time, correct?
- A. It's not necessary to have this done.

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COURT: Never mind whether it's necessary or not. You did not in fact. That's the question.

*Plaintiff's
evidence*

- A. I only had the power of attorney made.

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- Q. In the documents relating to the purchase of the flat there is no suggestion anywhere that your son was holding the flat as a trustee for you. Do you agree?

- 10 A. I disagree because there was the power of attorney and everything was mentioned in it.

(continued)

- Q. Let's go through the documents. Would you look please Bundle 'A', pages 30 to 41? Please look first of all at page 40. Do you see your son's signature there?

- A. Yes.

- Q. That document pages 30 to 41 is the agreement on the 5th of June, 1959 for the purchase of flats C1 and C4. Nowhere in that agreement is there any suggestion that your son is purchasing it on your behalf or to hold it as a trustee for you.

- 20 MR YU: My Lord, I don't want to interrupt my learned friend, but I thought I made it quite clear this is not a claim based on express trust but on resulting trust.

MR MILLS-OWENS: My Lord, that arose on my learned friend's pleading. When the pleading refers to it it was at all times understood, and the intention, I think, is the expression used in the pleading between the plaintiff and the deceased. That is the matter we're dealing with at the time. The purpose of this line of cross-examination is to put to her the fact that the contemporaneous documents show no suggestion of a trust whatever.

- 30 Q. That is the agreement for the purchase of C1 and C4, and I think it is agreed, Madam, that there is no suggestion anywhere in that document that your son was to hold the property on trust for you.

- A. I disagree.

- Q. I am sure if it is suggested there is anything in there that your counsel will bring it out in due course. Page 42 to 47 is the power of attorney in respect of Flat C4 — I am sorry, C1 — sorry, in fact in respect of both C1 and C4, and I suggest to you that nowhere in that power of attorney is there any statement or suggestion that those flats are purchased or to be held by your son on trust for you.

- 40 A. At the time of the purchase I had mentioned this in the solicitors firm.

Q. What do you say? Are you saying that the solicitors made a mistake? They didn't follow your instructions, is that your suggestion?

A. It's possible. I had mentioned that I bought it with my money.

Q. You may have, Madam, mentioned the source of the funds, but I suggest what you did not mention is what you are now saying that your son was to hold merely as a trustee for you.

INTERPRETER: May I have the question again please?

Q. You may, Madam, have mentioned the source of the funds. What I suggest you did not mention is your present contention that your son was to hold as a trustee for you. **10**

A. I had mentioned this to my solicitor.

Q. What is his name?

A. I said the money was my money, that's why I had the power, and after all he was . . .

COURT: Wait a minute. "I told the solicitor that the property was purchased with my money."

INTERPRETER: "That's why I had power."

A. After all he was mentally abnormal.

COURT: Yes. **20**

Q. I suggest you did not say anything about your son being a trustee for you.

A. What I said was this: "They were purchased with my money. My son is abnormal. Everything belongs to me.", and I told the solicitor to put down all this. I can buy or dispose of it.

Q. What is the name of the solicitor you spoke to?

A. In the beginning I spoke to the solicitors of Messrs. Zimmern and then P. C. WOO.

Q. What is the name of the solicitor that you spoke to?

A. It appears to be K. Y. YUNG. **30**

Q. You see, the power of attorney that was drawn up, and it is a common form of power of attorney, authorizes you to act on your son's behalf.

A. As mentioned therein I have the right to sell or to buy and what not.

- Q. Yes, but on your son's behalf, Madam.
- A. All I said was this. I don't know about law procedure. My son was abnormal. They were purchased with my money. I have the power to buy or to sell and do everything.
- Q. You understand what power of attorney is I assume. Yes?
- A. To my understanding power of attorney is that purchased with my money but only in his name.
- Q. Madam, I am sure you know very well what power of attorney is. It authorizes you to manage the property and deal with it in various ways on behalf of your son, not in virtue of your own right.
- A. No.
- Q. Please look at page 1 in Bundle 'C'. Please look at the fourth page of that first document where the signatures are.
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COURT: 'C' 4.

MR MILLS-OWENS: Yes, my Lord. Mine doesn't seem to be numbered very well. I am sorry, 'C' 5.

COURT: 'C' 5.

- Q. Is that your son's signature?
- A. Yes.
- Q. This is the assignment, Madam, of the property at C1, and again this is dated the 5th of April, 1961. And I suggest to you that there is nothing whatever in that document to suggest that your son held the property or took it as any sort of trustee for you.
- A. The deed must be in the son's name, but the solicitor said we must have the power of attorney made out to me. Is this assignment in respect of the Great George Mansion?

MR MILLS-OWENS: My Lord, I understand there is some question about the translation again. I am sorry. Was it the solicitor said or she said, the last answer?

INTERPRETER: I think my answer is correct.

MR MILLS-OWENS: I see. All right, I don't think it's anything very important.

- Q. We know you had the power of attorney. The only point I am putting to you is that none of the documents relating to the purchase make any reference to this property being held on trust for you.
- A. It's not necessary to put that down. All that is required is the power of attorney and that would be all right.

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Q. You say it's not necessary. I further put to you, Madam, that indeed so far as the Land Registry entries are concerned there is no suggestion that the properties were held on trust for you in any way.

A. This has not been put down, but if a power of attorney was made to me it would be all right.

Q. You are not suggesting that the solicitors don't know the difference between property held on trust for you and a power of attorney, do you?

COURT: Did the solicitor tell you that, or is it your own opinion?

A. I said, "Put down the name.", and the solicitor said, "It is not necessary. A power of attorney will cover up everything." 10

COURT: And this was told to you by Mr. YUNG of Zimmern & Co.

A. Yes, K. Y. YUNG. I was reiterating at that time, and then he said it's all right.

Q. I shall have to take you through this in more detail, Madam, in due course, but in fact the position is it was not until the 25th of February, 1974, some seven years after your son died, that you came up with this suggestion that your son was a trustee for you.

A. It was in 1960 something I went to LUI Kwai-wing's office. Well, we'll come to the correspondence in due course. 20

MR MILLS-OWENS: Is that a convenient break for us to adjourn, or should I go on to something fresh?

COURT: Yes, very well, adjourn to 10 o'clock tomorrow morning.

4.25 p.m. Court adjourns.

12th April, 1978.

13th April 1978.

10.10 a.m. Hearing resumes.

Appearances as before.

CHEUNG SO Yin-kay — o.f.o.

XXN BY MR MILLS-OWENS continues. 30

Q. Madam yesterday I asked you about the documents relating to the purchase of flats C.1 and C.4.

A. Yes.

10 Q. And I put to you the fact that none of those documents made any suggestion of your son holding the property as trustee for you. The position, I suggest, with regard to the purchase of the Canal Road properties is exactly the same — that none of the documentation there discussed the existence of any trust. Perhaps you could accept it from me that that is in fact so. So certainly the position would be then that neither Messrs. Zimmern and Company, who acted in respect of the purchase of flat C.1, nor Messrs. P. C. WOO & Co., who acted in respect of the Canal Road purchase, were given any instructions that your son was merely a trustee for you.

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JUDGE: As I understand your question as you put it to the witness, is that she never gave instructions to either Zimmern & Co. in respect of flat C1, nor to P. C. Woo & Co., that her son was registered as merely trustee for her — that is whether she agrees or disagrees or not.

A. I did.

Q. Can you offer any explanation then why the documents prepared by those two firms of solicitors in respect of the purchase of each of these two properties say nothing whatsoever about any trust?

20 A. I said that these flats were purchased by me with my money because my son was abnormal.

Q. Madam have you ever heard of something called a gift?

A. No.

Q. You don't understand what a gift is?

A. Do you mean that I give it to my son?

Q. I am just asking you if you know what a gift is, in general.

A. I don't understand.

Q. Have you ever heard of a birthday present for example?

30 A. Yes I have done. I have never heard of giving a flat as a gift. I am of construction business.

JUDGE: She is of construction business?

INTERPRETER: She is in the construction business.

JUDGE: By that I understand to mean the construction of properties — buildings — not documents.

A. What I mean was that my son was sick and I tried to have him occupy something and I can use his name or borrow his name in the building world.

Q. Just forget about your son for a moment madam. I am talking now on general terms. Have you never heard of a situation where a father or mother give presents to their children?

A. I purchased the flat first, before he married.

JUDGE: Would you answer the question, the question that is directed. Have you ever heard of a father or a mother giving a gift to the child.

A. Yes I have.

Q. It is normal, isn't it, for parents to give presents to their children?

A. Yes.

10

Q. Now if the person buys the present, gives it to the child, you are not suggesting that the child, in those circumstances, holds that on trust for the parent are you?

A. No.

Q. That, I suggest madam, is precisely what occurred in this case. You may have paid the purchase price for the property, but you had it conveyed to your son, with no reservation in any of the documentation that this was to be held on trust for you.

A. No.

Q. I am sure you appreciate it is important that the position with regard to land ownership should be clear as a matter of public record.

20

A. To make it clear so that when my son died I had to register it in my name again.

JUDGE: To make it clear . . . ?

INTERPRETER: To make it clear when my son died I had the property re-registered in my name.

Q. We are talking madam now about the time of purchase. You know that land ownership is a matter of public record.

A. Yes.

Q. And the public record in respect of these properties, flat C.1 and Canal Road properties, in respect of each of them, makes no mention whatever of any trust in your favour.

30

A. But the Power of Attorney is the document to cover that.

Q. I have already dealt with that yesterday madam. In respect of each of these Powers of Attorney you were acting in your son's behalf; not the other way around.

A. No.

Q. That is what they say madam.

JUDGE: She disagrees.

INTERPRETER: She disagrees.

Q. Are you suggesting you don't know what is in the Powers of Attorney?

A. I don't know, but I have mentioned clearly to my solicitor.

JUDGE: She said she didn't know.

INTERPRETER: The contents.

10 Q. Would you look please at page A46? You see that is signed by your son and you see at the bottom the fact that it is interpreted by a clerk of Messrs. Zimmern & Co. Are you suggesting that it was not interpreted to you?

A. No, it was explained to me by the clerk, but I don't remember.

Q. What are you suggesting the position is with regard to flat C.4?

A. It was in the name of CHEUNG Ng-sheong.

Q. Yes, in the name of CHEUNG Sheong and his wife.

A. Yes.

Q. And again in respect of that, there is no suggestion of any trust in any of the documents relating to its purchase.

20 A. But there was the Power of Attorney.

Q. Yes. No declaration of trust.

A. There is a Power of Attorney, and that includes everything.

COURT: That includes the trust?

INTERPRETER: It includes the trust.

Q. I can assure you madam there is no suggestion of any Declaration of Trust in that Power of Attorney.

MR YU: I don't think she actually used the word "trust". She said "that covered everything".

JUDGE: "That covered everything", yes.

30 Q. You are not suggesting that there is any actual expression "Declaration of Trust" in that Power of Attorney are you?

A. I don't know what is the trust.

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Q. And furthermore I put it to you, as is a fact, that none of the receipts issued by any of these solicitors involved in the purchase of these properties suggest any trust relationship.

A. In any event at the time of the purchase I make it clear — very clear.

Q. Let me ask you about something else. When your husband died in 1954 you told us that he left a shop and some money in bank accounts.

A. Not much cash.

Q. Did any estate duty have to be paid on his estate?

A. Yes.

10

Q. How much, do you remember?

A. I don't remember.

Q. Was it about \$22,000?

A. I don't remember clearly.

Q. If you look at page 2 of bundle 'A' I see there in the Grant of Probate to you the amount of estate duty and interest is inserted in the top left-hand corner at \$22,099.50.

A. It was approximately that amount.

Q. Did you pay that?

A. The shop paid.

20

Q. But didn't you have to pay it before you got a Grant of Probate?

A. I don't remember clearly.

JUDGE: She said the shop paid. I take it that someone responsible for running the shop paid.

MR MILLS-OWENS: I understand that is possible.

Q. Presumably you arranged for it to be paid?

A. The money was drawn from the shop for payment of this duty through my son.

Q. I see, but you understand what estate duty is, I assume.

A. Does it mean that a person died and if one was to claim the estate then they have to pay tax to the government?

30

Q. You understand do you, that the amount of duty is based upon the value of the property left by your husband?

A. Yes.

Q. There is a certain scale of percentages depending on how much property there is in the estate.

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A. Yes.

Q. And insofar as your husband was concerned, the estate was valued at I think \$290,000, and therefore the amount payable came to just over \$22,000 Hong Kong by way of duty.

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A. I have \$100,000. Does it include this \$1,000 in the estate?

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Q. I am sorry madam, I don't know which hundred thousand dollars you are referring to.

10 JUDGE: I think if you look further Mr Mills-Owens you will find there is a mention of \$100,000.

MR MILLS-OWENS: Yes, I am obliged, page 17 my Lord.

Q. At page 16, the gross total of the estate was \$391,442.06, and after deducting the amount of your loan of \$101,000, the net estate came to \$290,000.

A. Yes.

Q. May I take it madam you presumably are aware also that if, for example there is only a few thousand dollars in the estate then no estate duty will be payable?

20 A. Yes.

Q. You told us that you paid \$19,000-odd dollars as estate duty in respect of your son.

A. Yes.

Q. Would you please look at page B.30. This, madam, is the schedule of property of your son CHEUNG Wood-lun.

A. Yes.

Q. And the two principal items in that schedule are items 7A and B, which total in value . . .

30 JUDGE: She knew that. She acknowledges this is the list of property of her son's estate.

MR MILLS-OWENS: My Lord I will clarify that.

Q. Presumably you have seen this document before madam have you?

A. Even if I had seen it before I wouldn't know what it is now.

Q. This is the schedule of the property of your son, and it is the schedule of property on which estate duty was paid.

A. Yes.

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Q. And you know that LO and LO were negotiating with the Estate Duty Office with regard to the value of the estate.

A. Yes.

Q. And in this schedule of property of your son there are two valuable items, namely items 7A and 7B, which together total \$299,000.

A. Yes.

Q. And if you take those two items out, what is left is an estate of a value of \$1,451.

A. Yes.

Q. And if the estate was valued at only \$1,451, of course no estate duty would have been payable on it. **10**

A. Yes.

Q. Now the two valuable items in there, 7A and B, are the flat C.1 and the properties at Canal Road.

A. Yes.

Q. Would you care to explain madam, how it is that you are paying the sum of \$19,000 and all the estate duty, when you say, as I understand your evidence, that these properties were not your son's?

A. I have told my solicitor: "If I pay estate duty for Ah Lun, I wonder if I have to pay in future any other estate duty for myself?" **20**

Q. Messrs. LO and LO, acting on your instructions have, as I say, paid the necessary debts relating to your son's estate and included in your son's estate these two properties.

MR YU: My Lord if my learned friend could be a little more specific, because this matter as far as the estate is concerned, the first affidavit was sworn by the widow, and only this witness I remember . . . (inaudible) Perhaps my learned friend could be more specific.

MR MILLS-OWENS: I shall be going, I am afraid, through the correspondence in considerable detail in due course; but I am afraid it will take some time. I certainly don't wish in any way to mislead the witness. **30**

MR YU: My Lord we have supplied the whole of the file to my learned friend's solicitors. My learned friend has them, so . . .

JUDGE: I take it that you will clarify this point with correspondence when you come to it?

MR MILLS-OWENS: The point I am putting to her at the moment, in general terms, is "If you say these properties were not part of the estate, why did you pay estate duties on them". Will you ask her that again please.

A. I make enquiries from Messrs. LO and LO to the effect "All these are my properties. Why should I pay estate duty for it — for two years?"

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Q. But you did in fact pay estate duty madam, and a substantial sum.

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A. It was paid in 1969.

Q. Yes. Nineteen thousand dollars odd.

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A. Yes, because a letter was written to me that I have to pay it and that may be deducted in future.

10 Q. And it came to that sum of \$19,000. In fact the actual amount of estate duty was \$16,000, but it came to the substantial sum because these properties were in your son's estate.

(continued)

A. Yes, we make it clear . . .

JUDGE: It has been made clear.

INTERPRETER: Yes.

A. And I was also told that my daughter-in-law had waived her right and if I paid, then the property will be mine.

Q. I suggest madam that you never gave any instructions to LO and LO that in fact these properties were yours and not your son's.

A. No, I did.

20 Q. And so, if I understand you correctly, you are saying these three firms of solicitors failed to carry out your instructions?

A. What they said was "Your daughter-in-law has waived her right, so everything belongs to you".

JUDGE: You said that her daughter-in-law waived her rights, "everything belonged to me"?

INTERPRETER: Yes, that was told to me.

30 Q. Madam, I am addressing my question now as to why you paid estate duty on this estate in the amount that you did if these properties were not your sons, in which case it would not be necessary to pay any estate duty at all.

A. There were two letters sent to me. I was told that the Government required the payment of the tax, and they urged for some time.

Q. Did you reply to say "But my son left only \$2,000 in his estate. Why should tax be payable?"?

A. No, I did not write any letter, but I went to consult him personally.

Q. What in fact happened was that you went with your son's widow, Doreen CHEUNG, to see Arthur LUI.

A. Yes.

Q. And that was in April 1967, about a month after your son died.

A. Yes.

Q. And each of you supplied information to Mr. LUI.

A. I went first.

JUDGE: Not together? You went first?

A. On the first occasion I went myself. I asked what should be done in respect of those deeds so as to have it changed into my name. 10

Q. So it was you who gave Mr. LUI instructions as to what property your son had was it?

A. I told him that this property was purchased by me.

Q. Just answer my question please madam. Was it you who gave the information to Mr. LUI about what properties your son had?

A. No, I did not tell.

Q. Well then, who did?

A. I saw Mr. LUI and I said "Flat has been purchased". I wanted to have it changed back into my name.

Q. So you told Mr. LUI that flat C.1 and 6 and 7 Canal Road East were properties in the name of your son? 20

A. He saw my receipt, so he knew.

Q. And based on the information that you supplied to Mr. LUI, Mr. LUI prepared some papers in relation to your son's estate?

A. Yes.

Q. And he asked for the title deeds to the properties to be given to him?

A. Yes.

Q. And he prepared an affidavit for your son's widow to swear?

A. I gave the deeds to him and he told me to take it to his clerk and to obtain a receipt from the clerk and my daughter-in-law obtained the receipt. I later asked LUI Kwai-wing why should the receipt be given to her. 30

Q. Madam will you just please answer my question. Your counsel will question you later if you wish to add on something. Based on the information that you had supplied to Mr. LUI, an affidavit for the Commissioner was prepared, which is document 'B' pages 8 to 17, to be sworn by your son's widow, Doreen CHEUNG.

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A. Is it prepared by Messrs. LO and LO?

Q. Yes.

A. I don't know about this.

10 Q. Just take it from me madam, that LO and LO prepared that document.

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JUDGE: I take her answer to mean that she didn't know that the papers were prepared according to her information.

MR MILLS-OWENS: I am much obliged.

Q. Would you look please at pages 135 onwards in bundle 'A'. Did Mrs. CHEUNG, that is Doreen CHEUNG, your son's widow, did she know the amounts of rents being collected from Canal Road?

A. She did not.

20 Q. So I can take it therefore, can I, that the information at page 137 which sets out the amount of rent and rates for No. 7 Canal Road East was supplied by you to Messrs. LO and LO?

A. Yes.

Q. This information was supplied to LO and LO for the purpose of preparing the affidavit to be sworn for the Estate Duty Commissioner?

A. I did mention that I paid for the property tax, rates etc. and everything.

Q. At page 135

30 JUDGE: Has she answered the question yet? She hasn't. Was such information concerning the rates, rent and taxes supplied to LO and LO for the purpose of preparing an affidavit to be sworn for the Estate Duty Commissioner?

A. This was not mentioned to me, but I was only asked how much rent was collected and how much was the rates etc.

Q. Would you please look at 135. You informed LO and LO that flat C.1 was vacant.

A. Yes.

Q. You told them what the rates were.

A. Yes.

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Q. Page 136. You told them that No. 6 Canal Road was vacant.

A. Vacant? Canal Road?

Q. Canal Road.

A. Only in respect of the burned down one, that is No. 6.

Q. Page 137. You told them that in respect of No. 7 Canal Road East, that the rent was \$120 for the ground floor and \$32 for each of the upper floors.

A. Yes.

Q. And you told them what the rates were.

A. Yes.

10

Q. Based upon the information that you had supplied, LO and LO prepared an affidavit, which is at page B.8, to be sworn by Doreen CHEUNG, your son's widow.

A. Why should they make it for my daughter-in-law?

Q. Because your daughter-in-law was your son's widow — a person entitled to representation in the estate.

A. She had waived her rights.

Q. This is before that madam.

A. What was said to me was that she had waived her rights and it was nothing to do with her in future.

20

Q. Yes, I haven't got there yet. Just listen to my question please. And your son's widow then went to swear the affidavit for the Commissioner, which is pages B.8 to 17.

MR YU: Is that a question?

JUDGE: I suppose that regarding the question why should the affidavit be prepared for her daughter-in-law, I might have said that this is a state which has taken nearly two thousand years in the western world. The mother has the feeling that she is closer to the son than the son's wife; and I don't think a few hundred years of Christianity in Hong Kong would change the picture.

30

Anyway, the question was that whether she agreed that it was based on the information she gave to Arthur LUI of LO and LO that this information contained in document 135 to 137 that LO and LO prepared an affidavit for her daughter-in-law to sign. Do you agree or do you disagree?

A. I disagree.

JUDGE: You disagree that you have given this information to Arthur LUI?

A. I told him so as to enable him to act for me — to act for me in respect of registration. How would I know that he had done something like this?

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10 MR YU: My Lord my attention has been drawn to the fact that when you look at page 8, B.8. to 15, it has absolutely no bearing on the information supplied 135 to 139. The way the question was framed my Lord, with no disrespect to my learned friend, it is very misleading. I can't see how the two could relate together — one question. She supplied the information 135 to 139. Again you see, the official . . . the widow's name appears. The information came from her, yes. Then P.8 — 15, obviously prepared by LO and LO; but to say that based on her information etc. . . .

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JUDGE: In respect of this Mr YU, I do not know whether that was . . . that the value of the property depended on the rates.

20 MR MILLS-OWENS: But the only point I am getting at really is that the information was given to LO and LO, was that those properties were part of the estate, and they prepared the papers accordingly. I just wanted to ascertain the extent that the information . . .

MR YU: To which she has just said yes.

JUDGE: What I gather from her answer was that she gave the information to LO and LO with a view that in her mind they should arrange for registration. It was not for the purpose of preparing an affidavit for her daughter-in-law.

MR MILLS-OWENS: That, of course, is what she is now saying. I will proceed with the correspondence in due course.

JUDGE: Yes.

30 Q. You can take it from me madam, that in the affidavit prepared by Messrs. LO and LO, pages B.8 to 17, Account No. 1 sets out property of the deceased, your son, and under that list of property is included the flats in question — C.1 and Canal Road. (My Lord I am referring to B.11, the item at the bottom.)

A. In respect of which year?

Q. This is in April 1967.

A. It was prepared by Messrs. LO and LO.

Q. Yes.

A. I don't understand.

Q. I suggest madam you well understand. In addition, at page 16 of that affidavit prepared by Messrs. LO and LO, there is a heading "Account 2: Property held by deceased as trustee only" and there are no items incorporated under the heading "Property held as trustee".

MR YU: My Lord this is an affidavit sworn by the widow. My learned friend's point is "Now why should LO and LO prepare a document for the widow to swear etc., if you had told them that you were claiming the property?" Well ask that question. But the way my learned friend is insinuating to her that in fact this is her document . . .

10

JUDGE: I am well aware this is not her document. Mr Mills-Owens you have not put the question that in B.6 there is nothing prepared as . . .

MR MILLS-OWENS: I am sorry if my line of cross-examination is not quite what my learned friend would like it to be. I am really giving the witness an opportunity of giving an explanation as to why this document was prepared by Messrs LO and LO, who having seen her and got instructions from her, should include nothing under the heading of . . .

MR YU: One must be fair to the witness. We must tell her "This is an affidavit sworn by your son's widow and on the face of it prepared by LO and LO" and then proceed. But without putting that to her and treating it as if it were her document, I think it is not being fair to the witness.

20

MR MILLS-OWENS: With great respect, I have not suggested that it is her document. I have already said twice previously what it was.

Q. Madam I am referring you to this document, which is a document prepared by Messrs. LO and LO, who were the solicitors that you went to see together with your son's widow, and is a document prepared by them for your son's widow to sign. There is a specific section in it which is required to list any property held by the deceased as a trustee. Under that part of the document there is no property inserted as being held by the deceased as a trustee, and I suggest this is because you never gave any instructions to LO and LO that your son held these properties on your behalf or as trustee for you.

30

A. I did say.

Q. Do you wish to offer any explanation as to why Messrs. LO and LO apparently did not follow your instructions?

A. I always wrote to LUI Kwai-wing and I was very surprised, but he did not see me himself. His secretary told me that he would be back at about 8 o'clock twice.

40

Q. Madam just answer my question please. Who did you give instructions to?

In the Supreme Court of Hong Kong High Court

A. I went to see LUI Kwai-wing, but I did not have much chance to see him myself, to meet him myself, and eventually I managed to see him, and he told me that my daughter-in-law was trying to institute litigation against me and she had instructed Messrs. TSO to handle it.

Plaintiff's evidence

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JUDGE: I take it that that was much later was it?

MR MILLS-OWENS: Yes, it was some time later my Lord.

10 JUDGE: The question is that you said you told LO and LO, or Arthur LUI of LO and LO, or someone, a member of the staff in LO and LO, that the properties were held in trust by your son for you.

(continued)

A. Yes.

JUDGE: Now then, you also told the solicitors that your son had died.

A. Yes.

JUDGE: You gave the title deeds to the solicitors, you gave the solicitors information as to the rents you have collected all the time, and rates and taxes you have paid all the time.

A. Yes.

20 JUDGE: And you deposited the title deeds in relation to these properties with the solicitors?

A. Yes.

JUDGE: All this you did with one specific purpose according to you, and that was to enable the solicitors to have the properties re-registered in your name.

A. Yes.

JUDGE: I am now talking at this stage . . . You said "early times". This is very early now, immediately after your son's death.

A. Yes.

30 JUDGE: And the next thing that the solicitors did, in LO and LO, was not to pursue what you asked them to do but instead, as it is evidenced in documents B.8 to 17, prepared an affidavit utilising some information you supplied to prepare an affidavit for your daughter-in-law to sign, stating that those properties belonged to the estate of your deceased son, and not a word about his holding the property in trust for you, not a word that such properties were not held by your son and should be your property; and these are facts I have told you so far. Now counsel asked you whether you would like to offer an explanation why LO and LO should behave like this, if not on your instructions.

40

A. I may be clumsy in answering this, but when the solicitor had seen all the bills it was said to me that since it was purchased by me they belonged to me.

Q. You have known Arthur LUI for a long time had you not madam?

A. Yes, quite long.

Q. He witnessed your husband's will I believe.

A. Yes.

Q. That was back in 1946.

A. Yes.

Q. He also wound up your husband's estate for you.

A. Yes.

Q. Can you offer any explanation as to why Mr. LUI, a long-time friend and solicitor, should act completely contrary to what you say were the instructions you gave?

A. He said this to me: "Since you bought it with your money, it is your property".

Q. I would ask you just one question finally madam, can you offer any explanation as to why Mr. LUI, this long-time friend and family solicitor, should act completely contrary to what you say were the instructions you gave him?

20

A. He said "Your daughter-in-law will engage litigation against you".

JUDGE: Is that the explanation Madam CHEUNG? Do you mean to say that because your daughter-in-law wanted to litigate with you, so Arthur LUI pitched himself on the side of your daughter-in-law to fight you and directly, deliberately acted contrary to your instructions? Is that your explanation?

A. I wasn't clear; but he was of the opinion that since it was purchased, the property was purchased with my money by myself, then "they are your property. You have no worry about litigation".

Q. When you went to see Lo and Lo together with your son's widow, the initial estimate as to the amount of estate duty was about five thousand dollars.

30

A. No.

Q. And I suggest to you, in fact, your son's widow raised five thousand dollars and paid that to Lo and Lo.

A. The payment of five thousand dollars seems for the return of the debts (deeds?).

Q. What happened, I suggest, Madam, is that when you two went there, you and the widow, the widow was informed that the estimate of estate duty at that time was five thousand dollars and she was required to pay it and you made it very clear to her that you were not going to assist at all.

*In the Supreme
Court of
Hong Kong
High Court*

*Plaintiff's
evidence*

COURT: You were not going to pay.

A. It was not that I wouldn't pay but I asked him to make it distinctly that if the properties were mine, then they should be excluded from the estate, then I would pay.

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(continued)

10 Q. And I suggest you said the properties did not belong to you and you were not going to advance any money for the payment of estate duty.

A. Oh, no.

Q. And I think you were aware at the time that your son's widow had very little money of her own.

A. Quite so.

COURT: She knew?

INTERPRETER: She knew.

20 Q. And my instructions, Madam, are that because of your attitude over this matter, the widow decided to instruct Messrs. Tso and Company to handle the obtaining of Letters of Administration.

A. Mr. Tso said that it was Mr. Lui who asked him to handle it.

Q. Madam, I suggest to you that there were big family quarrels as a result of the widow wishing to instruct Messrs. Tso and Company.

A. There was no quarrel.

Q. And I suggest, Madam, there were a number of scenes, very unpleasant scenes, at which you accused the widow of trying to take advantage of your wealth.

A. She was.

30 Q. And I suggest that those culminated in a scene which took place, I can't give you the date, but it's round about May or June, I think, of 1967, when there was a big row about her taking the title deeds to the Tso and Company.

A. There was no quarrel except that she did not return.

Q. My instructions, Madam, also are that round about the end of April, the widow was informed by Lo and Lo that in fact the amount of estate duty would be much higher than five thousand dollars which was the initial estimate; and that you and your elder son made it quite clear that you were not prepared to assist her in paying estate duty.

40

A. Yes.

Q. And in these circumstances she was unable to raise the money required for the estate duty to enable her to proceed with her application for a grant.

A. No.

COURT: We will take a rest. Is it convenient at this stage?

MR MILLS-OWENS: Yes, my Lord, it is convenient.

11.36 a.m. Court adjourns.

12.08 p.m. Court resumes.

Appearances as before.

P.W. 1 CHEUNG SO Yin-kay — o.f.o.

10

XXN. BY MR MILLS-OWENS (Continues):

Q. Madam, you agreed, I think, before we adjourned that Mrs. Cheung, the widow, had paid the sum of five thousand dollars to Lo and Lo.

A. It's only for solicitor fee.

Q. Would you just answer the question. I think it would save a great deal of time.

A. Well, shall I say something more to qualify what I have said?

Q. Yes, now would you like to look, please, at page 140 of Bundle A? And you will see that that sum was in fact used for payment on account of estate duty. If you disagree with me, please say so.

20

A. You mean five thousand dollars?

Q. On the 27th of April, 1967, the Estate Duty Office acknowledged receipt from Lo and Lo the sum of \$4,677.40 on account of estate duty in respect of CHEUNG Ng-lun, the deceased, your son.

A. In 1959 (sic) I paid to Messrs. Lo and Lo nineteen thousand odd, to Messrs. Lo and Lo.

Q. I know that you paid money to them later. I am now talking about 1967, shortly after your son's death, when the sum of five thousand dollars was paid to Lo and Lo; and I am suggesting to you that it was paid for the purpose of paying estate duty and was indeed used by them to pay estate duty as is evidenced by this receipt.

30

A. I told the solicitor and I promised to bring four thousand dollars to the solicitor on the following day.

Q. But did you?

A. But the solicitor said, "You need not take money to us because your daughter-in-law had paid money for solicitor fee."

Q. Yes. I suggest, Madam, you knew perfectly well that that payment was required because estate duty would have to be paid in the amount of approximately five thousand dollars as it was then estimated.

In the Supreme Court of Hong Kong High Court

A. No, only for solicitor fee.

Plaintiff's evidence

Q. And that estimate at that time of the amount of estate duty that would have to be paid was based upon the value of the estate being approximately \$155,000 as set out in the affidavit prepared by Lo and Lo.

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(continued)

10 MR MILLS-OWENS: At pages B8 to 17.

COURT: 150,000?

MR MILLS-OWENS: 155,000, the figure is at page B12.

A. No.

Q. The position, Madam, as I understand it, is that on an estate of \$155,000 the rate of estate duty was about 3%.

MR MILLS-OWENS: Your Lordship, I will check this later.

Q. About 3%. That is how the figure of 5,000 was arrived at.

A. No.

20 Q. What then happened, Madam, was that the Crown Lands and Survey Office wrote to Messrs. Lo and Lo by letter dated the 19th of May, 1967 — please look at letter A142 — informing Messrs. Lo and Lo that they were unable to accept the declared values for the properties set out because they were of the opinion that the values of the deceased's interest in the following properties at the time of his death were 285,000 for Canal Road East and 49,000 for Great George Building, Flat C1. Did Lo and Lo tell you about this at the time?

30 A. I don't remember clearly. All I remember — the Government had urged for the payment of his estate duty and you had to pay. Once you paid, then the property would be yours — you can dispose of it at your wish.

Q. Please have B11 and A142 opened in front of you. The position, Madam, is this that the value put forward by Lo and Lo in the affidavit prepared by them at B11 for Canal Road was 120,000, whereas the Crown Lands and Survey Office thought the value was 285,000. And in respect of Flat C1, the value put forward by Lo and Lo in the affidavit was 35,000, whereas the Crown Lands and Survey Office value was 49,000. You were aware of this at the time, were you not?

A. I don't remember clearly.

- Q. And it's a matter of arithmetic, on the basis of the values set out in the Crown Lands and Survey Office letter, the value of the estate would be approximately \$335,000, in which case it would attract estate duty at 7%, which was approximately \$23,500 by way of estate duty which should have to be paid.
- A. But none of this has been explained to me.
- Q. Now we will see about that in a moment, Madam. After Messrs. Lo and Lo received this letter from Crown Lands and Survey, my instructions are that they informed the widow that the amount required for estate duty was now estimated at about \$24,000. I suggest you were well aware of that fact. 10
- A. No, I weren't.
- Q. And the widow was herself financially in no position to be able to raise \$24,000.
- A. No.
- Q. You are suggesting that she could have raised it, are you?
- A. There is no such thing. It should be me to pay this estate duty. Why should she pay?
- Q. I suggest to you that, Madam — whether you can answer this or not — my instructions are that she made requests through your elder son to inquire whether or not you, or the son, would be prepared to assist in advancing the sum required, 24,000. 20
- A. No such thing. It was not mentioned to me.
- Q. In any event, neither . . .
- A. And she said she waived her rights
- Q. That comes later. And that neither you, nor your elder son, was prepared to assist in advancing the funds.
- A. I was not asked.
- Q. Had you been asked, you would not have advanced, would you?
- A. It was handled by Messrs. Lo and Lo. So she could ask Messrs. Lo and Lo instead of me. 30
- Q. Messrs. Lo and Lo, Madam, are not money-lenders. I suggest you were well aware of the fact that a payment of about \$24,000 then was needed before the widow could obtain a grant of Letters of Administration.
- A. Messrs. Lo and Lo informed me and told me to pay and if no payment was made, the Government would resume the land.
- Q. We are talking about May, 1967.
- A. I don't remember the date, but after my son died, I went to see.

- Q. And I suggest you were well aware she was unable herself to raise the monies that were needed to pay the estate duty. *In the Supreme Court of Hong Kong High Court*
- A. No, I weren't.
- Q. Now you and your daughter-in-law went to discuss the matter with Messrs. Lo and Lo, did you not? *Plaintiff's evidence*
- A. I took the deeds to Messrs. Lo and Lo for the purpose of changing to my name. But what I was told was that in any event I had to pay the tax first before anything could be done. *No. 5(1) P.W.1 Cheung So Yin Kay*
- 10 Q. You knew that, as you call it, the tax would have to be paid before any Letters of Administration would be granted. *Cross-examination (continued)*
- A. Messrs. Lo and Lo did say that.
- Q. Yes. And you knew that your daughter-in-law, the widow, could not raise the money to pay the tax.
- A. I did not know that.
- Q. And, therefore, you were not prepared to assist, nor was your elder son, and in the circumstances the daughter-in-law renounced on the 4th of July, 1967.
- A. It's superfluous.
- 20 Q. Would you look please at page 144 in Bundle A. This is a letter written to you by Lo and Lo. Whose writing is that at the bottom in Chinese?
- A. I don't know whose writing was that in Chinese. It could be someone instructed by him to write it.
- COURT: By whom? Who's "him"?
- A. I don't know whether it was written by someone in Messrs. Lo and Lo.
- Q. Now you've seen this letter before, haven't you, Madam?
- A. Yes, there was a letter informing me that my daughter-in-law had renounced her rights.
- 30 Q. Yes.
- A. Is it this letter?
- Q. This letter of the 27th of July addressed to you by Lo and Lo says that they had been pressed by the Commissioner of Estate Duty to reply to their letter of the 19th of May, 1967 regarding the valuation of properties concerned and to pay the additional estate duty. Having regard to the terms in which it's written, I suggest that you must have been well aware of the valuation of the Estate Duty Commissioner and the consequent increase in the required amount of estate duty.
- 40 A. All I understand was that I was urged to pay estate duty. There was another letter.

Q. On the 21st of August the Estate Duty Office wrote to Lo and Lo asking for a reply.

MR MILLS-OWENS: There seems to be one or two letters missing in Bundle A, my Lord, I am sorry.

COURT: 146?

MR MILLS-OWENS: I will go on to 146.

Q. On the 20th of September, 1967 Lo and Lo wrote to you, referring to the letters of 27th of July, 14th and 23rd of August and the 8th of September, asking for your instructions as to the valuation of the properties. 10

A. I gave them instructions to have the land retained and not to have the land resumed.

Q. Coming back to 144, Lo and Lo's letter to you. They inform you that the widow has renounced in the second paragraph.

A. Yes.

Q. And say, "we understand from our Mr. Lui that you are going to apply for the Letters of Administration."

A. Yes.

Q. Therefore, I suggest, consequent upon that change, they were writing to you to press you for instructions with regard to valuation of the properties. 20

A. Yes.

Q. Any you did in fact given them instructions, did you not?

A. Yes, I gave them instructions that I would pay unless it's to be changed into my name.

COURT: You mean "I would pay if . . . " ?

INTERPRETER: "If it was changed into my name."

COURT: Yes.

Q. On the 27th of September, 1967 Lo and Lo write on your instructions to ask Crown Lands and Survey for the basis of their valuation of the properties. 30

A. That was written on the decisions of Messrs. Lo and Lo.

Q. Now are you saying that it's not on your instructions?

A. I don't know how much I have to pay.

Q. You did in fact see Messrs. Lo and Lo then in October 1967, did you not? *In the Supreme Court of Hong Kong High Court*

A. I don't remember.

Q. And gave them certain instructions with regard to these properties. *Plaintiff's evidence*

A. My instruction is to change it back to my name.

Q. Please look at page 148. Lo and Lo write on the 20th of October, 1967 to Crown Lands and Survey saying that they have seen their client, namely you, and they say they have been given instructions by their client, and then they deal specifically with the facts relating to each of these properties, Flat C1 and Nos. 6 and 7 Canal Road East, yes or no? *No. 5(1) P.W.1 Cheung So Yin Kay Cross-examination (continued)*

10 A. Yes.

Q. Yes, thank you. And in respect of Flat C1, they write on your instructions pointing out that the flat in the second floor of the same building was sold for only 36,500 and therefore that ought to be the valuation of Flat C1. Presumably, that was one of your instructions, Madam.

A. It seems that it has been mentioned.

Q. And also in respect of 6 and 7 Canal Road, now you say you had given instructions that there was a common staircase which affected the value of property in redevelopment.

20 A. At that time it was talking about development. The intention was to purchase No. 8 in order to develop it.

COURT: Anyway, those were your instructions.

A. No, I did not give them instructions, but he said, "I will have the letter written for you."

COURT: I am not suggesting, nor is counsel suggesting, that you literally taught how this letter was to be written. You gave Lo and Lo the basic facts, you supplied the basis of this letter.

30 A. Yes.

COURT: In other words, that is what I understand by "on your instructions".

A. That is correct.

COURT: You see, Madam, may I tell you this. If you confine your answers to the questions put to you, it would save a lot of time. You have come into the witness-box, having promised to tell the truth, the whole truth, nothing but the truth. You have not sworn and affirmed to come here to parley with counsel in the witness-box. That is the function of your counsel. Would you please stick to the facts when the question is put to you. To a simple question, give a simple answer. Yes.

40

Q. The next problem that came up, Madam, was the question of the valuation of your son's interest in a company by the name of Kam Wah Factory.

A. Messrs. Lo and Lo have made a mess of everything.

Q. Madam, please answer my question. Do you remember the problem that arose over the valuation of your son's interest in Kam Wah Factory?

A. Talking about Kam Wah and as far as the shares are concerned, they all belong to me. Because this business made a profit — that was during the Korean War, a lot of customers came to buy torch, they made a profit of about a few millions.

10

Q. Madam, would you please listen to my question?

A. I am rather confused now.

Q. No one confused you. I am now talking about Kam Wah Factory. I am going to ask you questions about it.

COURT: He has not asked you any question except one: Was there at one time a question concerning your son's interest in Kam Wah? He never suggested your son had any interest in Kam Wah. He never suggested that you had no interest in Kam Wah. He merely suggested: Was there such a matter raised? That's all. Whether he had any interest at all — it's not suggested for one moment that he had any interest yet. Was that matter ever discussed, ever raised?

20

A. No.

Q. Right.

COURT: Yes or no?

MR MILLS-OWENS: No.

COURT: Yes or no? It requires only a very simple answer.

A. No, I did not raise the question.

COURT: Not you. Anybody raised it with you — yes or no? It's very simple. Whether it is a mad question or a sane question is another matter. Yes or no? It requires just a "yes" or "no".

30

A. Someone had mentioned it.

COURT: Right, if someone had mentioned it, why did you take ten minutes nearly to answer this question? I have already warned you. You must give a simple answer to a simple question. I have given you a lot of allowance because of your age. Why can't you just confine your answer to the question — a simple "yes" or "no"? Let me also tell you this. Your answers to these questions are

material for the purpose of deciding this case. You cannot simply, of course, by your answers impose your will on mine. So now you say the matter was raised by someone.

*In the Supreme
Court of
Hong Kong
High Court*

A. It was my share but he specially put it in the name of my son.

*Plaintiff's
evidence*

COURT: No one has asked you that yet.

A. Someone had mentioned this problem.

No. 5(1)
P.W.1
Cheung So Yin
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Cross-
examination
(continued)

Q. Let me ask you this question, Madam. Did you instruct Lo and Lo that you and your son were partners in Kam Wah Factory?

10 A. I established this business. When the profits were made, the partners tried to write down some shares belonged to my son so as to save from paying more tax.

Q. Madam, would you answer my question? Did you instruct Lo and Lo that you and your deceased son were partners in Kam Wah Factory?

A. In fact, it was not so, but his name was added in.

COURT: Whether in fact it was so or not is immaterial. Did you or did you not tell Lo and Lo that you and your son were partners? The question again only admits an answer of "yes" or "no".

20 A. Originally it was not, but later they tried to have my son (sons) prosecuted.

COURT: I would wait until tonight and I will still want a simple answer of "yes" or "no". You can tell me anything afterwards but answer this question first — yes or no? Whether that be true or not?

A. I did.

COURT: Why can't you just say it? Why must you take another three minutes to answer a simple question?

A. Because originally they belonged to myself entirely.

30 COURT: I know that. You have told me that five minutes ago. You just refused to answer that question and insisted on saying that the factory was yours. In short, what you have told me is that, whether you were forced to do so or whether you were induced to do so, you told Lo and Lo something which is not true. The factory in fact belongs to you and because you want to evade tax, you write a share in your son's name. Your son had a share in fact is untrue, but you did tell Lo and Lo that he had a share. And let me tell you this. Because of your own folly in not answering the question in a straight-forward manner, you have deprived me the chance of warning you that you are not obliged to give certain answers. Evasion of tax is an offence. You are not obliged to disclose that before — I knew what you would say, but before I could warn you, you had already given that answer.

40

A. It was not said by me, someone in Messrs. Lo and Lo who handled the matter said so.

MR MILLS-OWENS: Would that be a convenient moment to adjourn?

COURT: Yes. Well, . . .

A. Just to reduce the amount of tax.

COURT: You mean to say that someone in Lo and Lo taught you this method, namely to write certain shares in the name of your son so as to evade payment of tax?

A. The founder changed the shares to my son's name without letting me know.

10

COURT: Yes, go on.

A. And later I went to Messrs. Hastings and so Messrs. Hastings wanted to sue all the partners.

COURT: Yes.

A. And in the chambers, I with Mr. Comber and one TSOI Ping-fun and one — another solicitor, we briefed Mr. Bernacchi. In this matter Mr. Patrick Yu was acting for the other party.

COURT: Yes.

A. It was Case No. 165.

MR YU: My Lord, she has got a better memory than I have.

20

COURT: I am certain that she has. Yes.

A. And then Mr. Arthur Lui saw me in the rest room — because he witnessed the will of my husband. He asked me why I went into the chambers. I said they told me to go to sign something. So Messrs. Lo and Lo asked me to hand the matter to him to take care.

COURT: Yes.

A. So I did. But the matter had been delayed for some time, so I urged him, because my son was sick, and I urged him, "Quick. Speed up the matter." He said he couldn't speed up the matter.

COURT: Please take a seat, Mr Mills-Owens. It will take some time. I think, probably, it will be past the satisfaction of a better lunch we are going to partake. Yes, go on.

30

A. Because my son was sick and I intended to go to the United States to see my son.

COURT: Yes.

A. Because I wanted the matter to be dealt with quicker, so I changed solicitor and approached Messrs. P. C. Woo.

COURT: Yes.

A. I ask your Lordship's pardon. I don't know what to say.

COURT: You are absolutely inexcusable. I asked you a simple question: "Do you mean to say someone in the Lo and Lo suggested that certain shares in Kam Wah Factory should be written in the name of your son so as to evade the payment of tax?" and you give me a host of stories — a long story which is completely irrelevant, has nothing to do with this answer.

A. No.

10 COURT: You said that someone in Lo and Lo said, "If the shares are written in the name of your son, you don't have to pay so much tax."

A. Not someone in Messrs. Lo and Lo said this, but it was someone in the factory who said that.

COURT: And who was the founder?

A. One surnamed Kan and one surnamed Wong.

COURT: Their full names please.

A. KAN Oi-wan, KAN Tong, WONG Yau, KAN Hung, SO Hung. There were four founders.

20 COURT: Which of the four told you that?

A. I asked these four, or one of these four, "Why should my share be distributed — some of it be distributed to my son?" and this answer was given, "To evade tax."

COURT: Very well. I suppose we should contend with this answer for the moment. I'll adjourn to two-thirty.

1.03 p.m. Court adjourns.

2.34 p.m. Court resumes.

Appearances as before.

P.W.1. CHEUNG So Yin Kay — O.F.O.

30 XXN. BY MR MILLS-OWENS (continues):

Q. Madam, please look at page 152 of Bundle 'A'. That is a letter from your solicitors, Lo and Lo, to the Estate Duty Office about CHEUNG Ng Lun, and they say:

" . . . we are instructed . . . " — the second line — " . . . we are instructed by our client, Madam Cheung So Yin Kay, that in 1951, . . . Kam Wah Factory was, without the consent of our client and the deceased who were partners . . . " in " . . . the . . . company, converted into a limited company . . . "

*In the Supreme
Court of
Hong Kong
High Court*

*Plaintiff's
evidence*

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(continued)

Those were the instructions you gave Lo & Lo, were they?

A. Can I talk about another subject instead of this? This says about advertisements put up by the Chartered Bank.

Q. No, madam, I'm sorry. If you wish to talk about something else after you have finished your answers to the questions that I'm asking you, you can if you wish tell your counsel that you wish to say something extra. I am sure that you will have the opportunity of doing so.

A. I am merely concentrated to the matters concerning Chartered Bank.

Q. What do you mean by that? 10

A. Because I read from the newspaper that the Chartered Bank was trying to take over my flats, so I have to be concerned of this matter.

Q. That was much later, madam. I am now talking about letters written by Lo & Lo on your instructions in 1967.

A. I went to look for him but I missed him, and this matter is still carrying on. Once I have finished or have it done I will let you know.

Q. Madam, I will repeat the question and please answer the question that I am asking you. Lo & Lo state in their letter of the 15th November, 1967: 20

“ . . . we are instructed by our client, Madam Cheung So Yin Kay, that in 1951, . . . Kam Wah Factory was, without the consent of our client and the deceased who were partners . . . “in” . . . the . . . company, converted into a limited company . . . ”

Did you give those instructions to Lo & Lo?

A. I am not thinking about this.

COURT: You had better think about it now, and if you take time to direct your mind to that, we have time, you can sit here and think, and the next question will not proceed until you have answered this one, and without the next question this trial will just stay put as it stands at the moment, and if you refuse to answer I'll report that you refused to answer. 30

A. I have handed everything to Messrs. Lo & Lo for him to act — for them to act on my behalf, but they just ignore me.

Q. Please answer the question I asked you, madam

A. Mr. Arthur Lui of Messrs. Lo & Lo knew about this.

Q. Please answer the question I asked you.

A. When was this supposed to have happened?

Q. In 1967, about November, 1967.

A. It seems that there is such a thing.

Q. You did give those instructions to Lo & Lo?

A. It seems that it had been mentioned in November.

Q. You told us before lunch that in fact this was not true, that you and your son were not partners but that you were the sole owner of Kam Wah. Is that it?

A. Yes.

10

Q. You started an action together with your son, did you not, Action No. 165 of 1974, against the other partners?

A. Yes.

Q. And in that action you and your son were the plaintiffs and judgment was given in your favour?

A. Yes.

Q. And the amount of the judgment given in favour of you and your son was 403,230 — 280 dollars — 403,280?

COURT: 408.

MR MILLS-OWENS: Is it, I'm sorry, mine is not very clear.

20

Q. Approximately \$408,000?

A. Yes.

Q. Are you now telling us that the whole basis of that action was wrong because your son, in fact, had no right to claim in that action?

A. He said, "Since your son's name was named as a partner, so it must be — proceedings must be instituted with the son's name."

Q. Who were the solicitors involved in that action, acting for you and your son?

A. It was Y. H. Chan of Lau, Chan & Ko.

COURT: Who? Y. H. Chan.

INTERPRETER: Y. H. Chan.

30

A. When the company was incorporated as a limited, there appears to be Messrs. Lau, Chan & Ko.

Q. So you told Lo and Lo that you and your son were partners which was not in fact true, as you now tell us.

A. It's not true.

*In the Supreme
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*Plaintiff's
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examination
(continued)

Q. Why should we now believe you to be telling the truth now as opposed to what you then said?

A. In the beginning there were four founders, and later four others joined in.

Q. Are you aware, madam, that there then followed correspondence between Lo and Lo and the Estate Duty Office concerning Kam Wah Factory?

A. No, I was not aware.

Q. Just take it from me, please, that there was then such correspondence with the Estate Duty Office. I suggest you were aware of the fact that the valuation of your son's interest in Kam Wah Factory was a matter that was being discussed with the Estate Duty Office.

10

A. There is no interest at all; he had never received any money.

Q. That was a matter which was being discussed between your solicitors and the Estate Duty Office, and you knew it.

A. In fact, I seldom saw him.

MR MILLS-OWENS: That correspondence, I don't propose to put it to this witness because it was between the solicitors and the Estate Duty Office.

COURT: Yes.

20

MR MILLS-OWENS: It is to be found at pages 153, 155, 157 to 8, up to 160.

Q. Madam, your solicitors wrote to you on the 19th of April, 1968, page 160, to inform you that it was necessary to file a Corrective Affidavit in respect of your son's interest in Kam Wah Factory.

A. I don't know English, I don't know if I have that letter or not.

Q. You did in fact swear a Corrective Affidavit, did you not?

A. There was an affidavit or affirmation that applications for administration of the estate has been made.

MR MILLS-OWENS: Could the witness please be shown B. 21?

30

Q. That is a Corrective Affidavit sworn by you on the 2nd of May, 1968, and your signature appears at page B.22 as well as B.23 and B.24.

A. What's it about?

Q. Are those your signatures?

A. Yes, my signature.

Q. And that document was interpreted to you by an interpreter by the name of Lee Man Kuen about the 2nd of May, 1968.

*In the Supreme
Court of
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High Court*

A. Which solicitors' firm — Lee Man Kuen?

Q. At the Estate Duty Office.

*Plaintiff's
evidence*

A. I don't quite remember.

Q. And in that Affidavit at page 23 is a Statement of Corrections, and the correction that is made is that the deceased's interest in Kam Wah Factory is now entered as nil wherein previously it was entered as a thousand dollars.

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(continued)

10 A. What is the date of this . . . ?

Q. 2nd of May, 1968.

A. I don't understand why in one Affidavit it says there is some interest and the other no — no interest.

Q. What it says, madam, is that the valuation in the first Affidavit is put in as a thousand dollars, but in view of representations that had been made on your behalf relating to the bankruptcy of persons against whom judgment had been obtained, the value was then entered as "Nil" in the correction.

20 INTERPRETERS: I beg your pardon, Mr. Counsel, may I have it again?
This is too long.

MR MILLS-OWENS: I'm sorry.

COURT: I take it that in her daughter-in-law's Affidavit it was included amongst the son's — deceased son's estate . . .

MR MILLS-OWENS: Yes, my Lord.

COURT: . . . that he died possessed of interest to the extent of a thousand dollars share in the Kam Wah Factory.

MR MILLS-OWENS: Page 11, my Lord, B. 11.

30 COURT: (To Interpreter) Tell her that. But on the 2nd of May, 1968, you immediately filed a Corrective Affidavit saying that in fact your son had no interest at all.

MR MILLS-OWENS: No, no, I'm sorry, I don't want to be misunderstood. The correction is quite clear from the correspondence. It is not to suggest that he had no interest, but the value of the interest was nil.

COURT: The value was nil, I see. That your son's interest in the Kam Wah Factory was nil, of no value. In other words, worth nothing, worth not a cent.

A. I don't remember.

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(continued)

COURT: I do not know whether your memory can be assisted or not, madam, but when you say that you cannot remember and there is documentary proof, it doesn't really matter whether you remember or not, unless you give an explanation, if your explanation is required. If you feel that no explanation is necessary or you decline to explain, the matter is entirely up to you. Yes, Mr. Mills-Owens.

A. The matter is entirely up to me. Does it mean that I was wrong?

COURT: Nobody said you were wrong.

A. If I was not wrong then I don't want to explain now.

Q. But the more significant point, madam, that I put to you is that this is a Corrective Affidavit sworn by you after you had taken over the handling of the estate through Lo and Lo. 10

A. That was in respect of applications for administration of the estate.

Q. Yes, and there is no suggestion in this Affidavit, this Corrective Affidavit, that the original Affidavit was wrong in any other respect.

A. I don't know what's wrong or what's right.

Q. At page 21 you say this — B.21:

“I, CHEUNG SO YIN KAY make oath and say as follows:—

The deceased died on 19th March, 1967. 20

An Affidavit for the Commissioner was delivered by DOREEN SO SHUK SZE “ — that is your son's widow — ” on 24th April, 1967.

It has now been discovered in the circumstances stated overleaf that that Affidavit for the Commissioner requires correction.

4. The Statement I annexed hereto is a true and accurate statement of such necessary correction.
“ ”

Paragraph 6, page 22 “Save as appears in and by this affidavit and the Affidavit for the Commissioner which has been already delivered no property chargeable with Estate Duty passed or is deemed to have passed, so far as I know or believe, on the death of the deceased.” 30

A. I don't seem to know all these things, and what I was told is to sign a name in order to obtain Letters of Administration for the estate.

Q. And I can leave out paragraph 7, which is not important. You say:

“ All of which is true to the best of my knowledge and belief.”

And then you swear it at the Estate Duty Office, the same having been duly interpreted to you in Cantonese, and the only correction that that Affidavit states is necessary is to decrease the value of your son's interest in Kam Wah from one thousand dollars to nil. There is no suggestion anywhere in that Affidavit that the items of property should be taken out of his estate as not forming part of the estate, namely, Flat C.1 and the Canal Road properties.

*In the Supreme
Court of
Hong Kong
High Court*

*Plaintiff's
evidence*

A. I went to look for him but I failed to locate.

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Cross-
examination
(continued)

COURT: Who was 'him'?

10 A. LUI Kwei-wing.

Q. In fact, just before this you had been in hospital, I think.

A. I was in hospital in 1972, May, for an eye's operation.

Q. Very well.

A. If this document is '68 at that time I was not in hospital.

Q. Please look at page 165.

INTERPRETER: Of 'A'?

MR MILLS-OWENS: Yes.

Q. Your solicitors wrote to you a letter of the 23rd October, '68, and they said:

20 " We refer to our previous communications with you when we informed you that, excluding the deceased's interest in Kam Wah Factory value whereof is still being investigated by the Estate Duty Office, estate duty and interest in respect of the above estate up to the 2nd November, 1967 is \$19,301.70. As this sum has still not been paid by you, interest at 8% is charged by the Estate Duty Office . . . "

and they ask you to make a payment of \$20,000 on account of estate duty. If you disagree with what I'm putting to you, madam, please let me know.

30 A. Whenever I received their letters I would definitely go to see Mr. Arthur Lui of Messrs. Lo and Lo.

Q. Good, thank you for telling us that. It was later necessary for you to swear a further Corrective Affidavit relating to salaries tax, I think.

A. Was it also in Chinese? I went to see him, but he was not located.

Q. Do you remember swearing a further Corrective Affidavit on the 6th February, 1969?

A. I don't remember owing to the lapse of time.

Q. The letters at 167 and 168, bundle 'A', are from Lo and Lo to you asking you to 'come in and sign' the Corrective Affidavit relating to salaries tax.

A. There is only the problems of paying estate duty, not so many things like this. There is no mention about salary tax.

Q. Please look at B.25, 26, 27, 28. Do you see your signature on those pages 26, 27 and 28?

A. Yes.

Q. And at page 26 it states that it was sworn by you at the Estate Duty Office on the 6th February, '69, having been duly interpreted to you in Cantonese by an interpreter whose name was Thomas Theam. **10**

A. It was Mr. Theam?

Q. Theam, yes. Do you recall that or do you dispute what I put to you?

A. Mostly there was no such a thing. It was merely for estate duty, there was nothing about salary tax.

Q. At page 27 the correction that is required, which is the reason why this Corrective Affidavit was sworn, was because there had been a refund of salary tax from the Hong Kong Government in the amount of \$152. **20**

A. I did not receive this.

Q. That again, madam, is the only correction this Corrective Affidavit seems to make.

A. Talking about Kam Wah's business, I always went to urge him.

Q. At the moment we are talking about the refund of salaries tax.

A. There was none.

Q. Madam, if you do not remember what I am addressing questions to you about please say so and I can get on.

A. Really I don't remember.

Q. What I suggest to you is very significant is that at no time, ever, did you instruct Lo and Lo to prepare any Corrective Affidavit to delete these properties, Flat C.1 and the Canal Road properties, from your son's estate as being property which he was not entitled to or he merely held as trustee. **30**

A. The property in Canal Road and the C.1 flat, all I required was to have them re-registered in my name.

Q. I suggest that the instructions that you gave to Messrs. Lo and Lo in relation to those properties are completely inconsistent with any suggestion that those properties were held by your son as a trustee for you.

*In the Supreme
Court of
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High Court*

A. In fact, when I went there Mr. Arthur Lui left.

*Plaintiff's
evidence*

COURT: What do you mean, left? Left where?

A. I went to the solicitors' firm and asked them to explain to me, because he said that it only required three months to complete the matter.

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examination

10 COURT: No, I am referring to your statement. What exactly did you mean, "In fact, whenever I went there Mr. Lui left?" Do you mean that it was associated with you that he left?

(continued)

A. He tried to avoid me.

Q. He tried to avoid you. Is that what you are saying?

A. On one occasion I went there, instruction says to block against my way, and then I tried to ask him about things and he said this to me, "Do you realise that you are mad?"

Q. I accept, madam, that you paid Messrs. Lo and Lo a cheque for \$19,301.20 — I'm sorry, 70 cents, on the 27th of February, 1969.

20 A. Yes.

Q. You also, through Lo and Lo, demanded to be repaid that money by the defendant.

A. No.

COURT: What date was it that you paid to Lo and Lo, on the . . . ?

MR MILLS-OWENS: 27th of February, '69, my Lord. You will see that at page 290.

COURT: And she demanded that the defendant . . .

MR MILLS-OWENS: A demand for repayment — if I may just have a moment I'll find it, my Lord. Yes, page B. 50.

30 Q. Your solicitors, Lo and Lo, in due course wrote to the Chartered Bank demanding repayment of estate duty, rates, compensation to tenants, etc. that had been paid by you, and claiming that they were debts due by the estate to you.

A. It has not been paid and it has not been mentioned.

COURT: You never instructed them?

A. No. I have already promised to pay and I was told to pay.

Q. Yes. I agree you paid that sum of nineteen thousand odd dollars, and your solicitor's letter demanded it back from the defendant.

A. No.

Q. Well, that's what the letter says, madam.

A. Although it was said in the letter but I did not say that.

COURT: I know that you never got paid, you never had a refund of that \$19,000, but did you instruct your solicitors to ask for it, or can't you remember?

A. No. No, I did not.

COURT: So your solicitors, according to the letter, then of their own volition, without instructions, tried to get the money back for you? **10**

A. Yes.

Q. And I accept, madam, that the solicitors actually paid that sum to the Estate Duty Office in March, 1969, on account of estate duty. That's documents 171 and 172.

INTERPREER: 'A'?

MR MILLS-OWENS: 'A', yes.

Q. Who wrote this?

A. Your solicitors.

MR MILLS-OWENS: If I may ask your Lordship just in passing to look at 170 'A'. The second paragraph: **20**

“ In view of the resworn value of the deceased's interest in Kam Wah Factory at 'NIL' in place of the originally sworn value of \$1,000 . . . ?

That's the point I was making to your Lordship a moment ago. In other words, it was not taken out completely as no interest, it was just a question of valuation being reduced to nil from one thousand.

Q. Now, madam, Lo and Lo had written to you on the 23rd of October, 1968.

A. I don't remember. **30**

Q. I'm sorry, I'm just finding it. That's 165. You replied to that at page 175. Is that your signature?

A. My letter was in Chinese.

Q. Is that your signature?

A. Whenever I wrote a letter to Messrs. Lo and Lo it contained Chinese words.

Q. Is that your signature, madam? It's a very simple question.

A. It appears to be my signature.

Q. Thank you.

A. But I do not know what was the content.

Q. That's just a reference to — it's just a reply to Lo and Lo's letter of the 23rd October regarding your son's interest in Kam Wah Factory.

A. What was said in this letter, please?

*In the Supreme
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High Court*

*Plaintiff's
evidence*

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COURT: Would you, Mr. Interpreter, interpret the whole letter to her?

10 A. There was such a letter.

Q. That refers to the amount that you paid for Estate Duty which, of course, was based upon these properties being part of your son's estate, C.1 and the Canal Road properties.

A. That was not my son's estate, but I was told to pay and I did pay.

Q. Then you received a letter of May 31st, 1969, from Lo and Lo — document 176 — and Lo and Lo write to ask you to “. . . let us have your instructions on matters concerning valuation of the deceased's landed properties?”

A. Whenever I received a letter I went to see him.

20 COURT: Well, you might or might not have gone to see him, but did you receive this letter? That's the point.

A. Whenever I obtained a letter I would go to see him, but I don't think I received this letter.

(3.32 p.m. Mr. Yu leaves courtroom.)

Q. Madam, what did you do with the letters which you received from Lo and Lo?

A. I would take the letter with me and went to see.

30 Q. Yes, but if the letter is in English, and as I understand it you don't speak English, so what did you do about finding out what was in the letter?

A. Yes.

Q. Yes, so what did you do about finding out what was in the letter?

A. But I failed to locate.

Q. Pardon?

A. I failed to locate him.

Q. So how did you ascertain what was in the letter? I assume you got somebody to translate it for you.

A. I obtained the letters and I tried to ask someone to translate it to me, but they said they don't know about official language.

Q. Who did you usually ask to translate for you?

A. I took the letter back and asked him to explain to me.

COURT: You say every time you went there he left.

A. Yes.

COURT: He tried to avoid you, but in any event . . .

A. I don't know whether he actually tried to avoid me, but whenever I went there he always said that he was not free. 10

COURT: Did you ask somebody else in Lo & Lo to explain the letter to you?

A. Yes, I did. I asked one CHENG Kwai-lau. He told me to ask Mr. Arthur LUI.

COURT: You mean to say that when you brought the letter back to Lo & Lo not a single soul in that office obliged you by explaining their letter to you?

A. Sometimes I did not ask. Sometimes I asked and he was not free. Sometimes I asked one CHENG Lau-kwan. 20

Q. You see the letter 31st of May, 1969 Lo & Lo talking about your son's landed properties and the matter of their valuation.

A. I cannot remember.

MR MILLS-OWENS: Just please explain the first sentence of that letter to her, 176.

INTERPRETER: 176.

MR MILLS-OWENS: Yes.

Q. So Messrs. Lo & Lo clearly, when they wrote that, were under the impression and belief that your son was entitled to landed properties.

A. No. 30

Q. Let us go on.

COURT: Just one moment. No question has been asked of you yet. The remark was that in writing that letter Lo & Lo clearly believed that your son deceased died in possession of the landed property.

A. No landed property.

- In the Supreme
Court of
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High Court*
- Plaintiff's
evidence*
- Q. Lo & Lo wrote to the Superintendent of Crown Lands & Survey, document 178, specifically on the question of reducing the valuation of your son's property, so that it could be less than \$300,000, the purpose being, of course, to reduce the rate of estate duty.
- A. I don't remember this.
- Q. You wrote to Lo & Lo on the 10th of July, 1969, document 180. Is that your signature?
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Cross-
examination
(continued)
- COURT: Read the letter to her.
- A. It seems there was such a letter.
- 10 Q. Yes. And that letter refers to the letter of the previous page, 179, written to you by the Land Office. That letter from the land officer relates to the period for redeveloping No. 6, Canal Road East.
- A. Yes.
- Q. And asks for the document to be countersigned by your son CHEUNG Wood-lun.
- A. You mean about development.
- Q. Yes. So you suddenly found out quickly what that was about because you yourself wrote to Lo & Lo within a couple of weeks dealing with the contents of the letter.
- 20 A. It seems that there was such a letter but I don't remember clearly.
- Q. The point I put to you again, Madam, is that in your letter to Lo & Lo there is no suggestion that in fact your son was not entitled to these properties at all because he was merely a trustee for you.
- A. Whenever I wrote them a letter it does contain some Chinese version.
- Q. There's no suggestion in your letter, for example, "Isn't there a big mistake here. These properties are mine, not the deceased's. Why are they his estate?"
- A. It's not necessary to raise that in the letter because there was a power of attorney and that includes everything.
- 30 Q. Lo & Lo wrote to the land officer at page 181 in reply, and Lo & Lo say that the letter addressed to you was being passed to them for attention and they go on to say CHEUNG Wood-lun, alias CHEUNG Ng-lun, the owner of the above premises died on the 19th of March.
- A. I did not see such a letter.
- Q. There is no suggestion by your solicitors here that your son held on trust for you. In fact they describe him as the owner.
- A. I did not see this letter.

- Q. You were the one, Madam, who was in contact with Lo & Lo and who was giving them instructions.
- A. No, I seldom saw him.
- Q. At page 183 Lo & Lo wrote on your behalf saying, "We are instructed by our client to accept the valuations of the two properties as set out in the letter of 16th of July," which is at page 182.
- A. I did not.
- Q. At page 185 Messrs. Lo & Lo wrote to your son's widow.
- A. I don't know about this.
- Q. Saying, "We have informed your mother-in-law, Mrs. CHEUNG SO Yin Kay, that she should reimburse you for the \$5,000.00 paid by you on account of estate duty. Your mother-in-law has informed us that she is at present short of cash but will take this matter up "with you directly and pay you the sum of \$5,000.00 out of the estate of the deceased as soon as possible." 10
- A. It was not like this.
- Q. I suggest to you Messrs. Lo & Lo wrote that letter because they received a letter from your son's widow who went to Australia in May, 1969.
- A. I don't know. 20
- Q. And who was asking to be reimbursed for the \$5,000 she paid for the estate duty.
- A. Was that said by my daughter-in-law?
- Q. Yes.
- A. Messrs. Lo & Lo told me that there was a letter from my daughter-in-law asking for the \$5,000 back.
- Q. Yes. You knew that your daughter-in-law was financially very poorly off.
- A. Not very poor.
- Q. Your response was that you were short of cash. 30
- A. No, it has been repaid to her, and there was a letter from my daughter-in-law acknowledging receipt of this \$5,000.
- Q. That was later, Madam. Your response, when she asked if the money could be repaid, was that you were short of cash. Do you agree that you gave those instructions to Messrs. Lo & Lo?
- A. No, I did not give that instruction.

Q. Why do Lo & Lo say that?

A. Her \$5,000 was paid for solicitor fee.

*In the Supreme
Court of
Hong Kong
High Court*

Q. Why do Lo & Lo say it was paid on account of estate duty?

A. I should pay \$5,000 to Messrs. Lo & Lo to cover the solicitor charges.

*Plaintiff's
evidence*

Q. Madam, in the letter at 185 Lo & Lo say, "We have informed your mother-in-law, Mrs. CHEUNG So Yin Kay, that she should reimburse you for the \$5,000.00 paid by you on account of estate duty."

No. 5(1)
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Kay
Cross-
examination

10

A. There was a letter from the daughter-in-law. She paid \$5,000 for solicitor fee to take away the deeds. *(continued)*

Q. Why do Lo & Lo call it "paid for estate duty"?

A. It was not for paying estate duty.

Q. Why do Lo & Lo say that it was for estate duty? Can you offer any explanation?

A. In fact it was not for payment of estate duty.

COURT: Well, Mr. Mills-Owens, I suppose she could not answer for Lo & Lo for whatever in her own mind and in her own allegation I suppose Lo & Lo was the most unreasonable firm of solicitors who acted contrary to instructions, told her one thing and wrote on her behalf something else.

20

MR MILLS-OWENS: Yes, my Lord.

Q. So what then in fact happened, Madam, was that the estate was assessed at \$298,451 or \$298,500 in round figure and there was a refund of the estate duty.

A. I did not receive it. I paid so much and my requirement was to change it back to my name.

Q. That appears at page 186 to 188.

A. But to me there was no such thing.

30

Q. And Lo & Lo wrote to you, did they not, on the 29th of August, 1969 to inform you there had been a refund of \$7,628.75?

A. There was no refund, once the money was paid.

Q. Lo & Lo wrote to you and asked for instructions whether \$5,000 should be then reimbursed to your son's widow.

A. Of the \$5,000 I paid cash to Messrs. Lo & Lo.

Q. Messrs. Lo & Lo saw you on the 1st of September, 1969, and you gave them instructions to remit \$5,000 to your son's widow to repay the amount that she had previously paid.

A. Do you mean that I took the money to Messrs. Lo & Lo?

Q. No, Messrs. Lo & Lo received the money from the Treasury, spoke to you and you agreed that \$5,000 should then be sent to your son's widow.

MR MILLS-OWENS: Page 190, my Lord.

COURT: Yes.

A. No, it was not so.

10

Q. Having spoken to you about it Lo & Lo then sent the \$5,000 to the Hong Kong Shanghai Bank for the credit of your son's widow's account.

A. No.

Q. And they also wrote to your son's widow at page 192 confirming they received instructions from you to reimburse that \$5,000.

A. It's not so. I was quite surprised about what you have said.

COURT: It sounded to you, Madam, that it is some fairy tale.

A. Yes.

COURT: But if you look at 'A' 192, there seemed to be a carbon copy. Did you receive that copy? 20

A. I don't remember, but whenever I received a letter I definitely went to see and asked him about it.

MR MILLS-OWEN: My Lord, the letters speak for themselves. I can't really take it any further. If she simply denies it, then I just go on.

Q. The final estate duty schedule as accepted by the Estate Duty Commissioner is set out at page 194 of Bundle 'A'.

A. I told Messrs. Lo & Lo and asked them to change back to my name.

Q. And this official estate duty schedule, as I say, includes part of the property of your son, the two lots of property in question, Flat C1 and Canal Road. 30

A. They should not be included in his estate. I merely made use of his name or borrowed his name.

Q. But they were included, Madam. They were included by your solicitors after, no doubt, speaking to you a large number of times about the estate.

A. All consultation was to have them changed back into my name, and they also mentioned that my daughter-in-law had waived her right.

- In the Supreme
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High Court*
- Plaintiff's
evidence*
- Q. And also by that letter of the 2nd of September, 1969, page 193, the Estate Duty Commissioner certified the amount of duty and stated that he had no objection to the issue of a grant of letters of administration.
- A. Altogether nineteen thousand odd dollars.
- Q. Am I correct that you paid the sum of \$19,000 in February, 1969?
- A. Yes, I agree, and there was a receipt.
- Q. The final amount of the estate duty actually charged was \$16,350.
- 10 A. The nineteen thousand odd dollars including everything, that is including the estate of CHEUNG Ng-lun.
- Q. Presumably you were informed by Lo & Lo that the Estate Duty Commissioner had indicated he then had no further objection to the issue of a grant of letters of administration.
- A. What was said was that if you pay this then you can secure a letter of administration.
- Q. But you were told, were you not, by Lo & Lo that the Estate Duty Commissioner was agreeable to a grant of letters of administration in September, 1969?
- 20 A. What was said was that if you pay this then you can share it or you can develop it.
- Q. You then wrote to Lo & Lo, in fact Della CHAN in Lo & Lo, document 195, asking for them to apply for letters of administration.
- A. Yes. I paid the estate duty and I instructed her to go on.
- Q. Is that your signature, 195?
- A. Yes. There was a letter in Chinese attached to it. There should be a letter in Chinese attached to it.
- Q. May I take it, Madam, that you understood the function of the schedule of property annexed to the letters of administration?
- A. I was given a receipt only.
- 30 Q. You knew there was a schedule of property annexed, to be annexed to the letters of administration?
- A. I had only a receipt and nothing else.
- Q. In your letter, 195, to Lo & Lo you specifically requested them to include in the schedule of property annexed to the letters of administration certain further items.
- A. Whenever I wrote a letter to him there would be a Chinese version copy attached to it.
- No. 5(1)
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Cheung So Yin
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Cross-
examination
(continued)

Q. Now will you please answer my question? You requested Lo & Lo in your letter to include in the schedule of property annexed to the letters of administration two further items, namely waterworks receipts.

A. I don't remember this clearly.

Q. And in response to your letter of the 8th of October Lo & Lo wrote to you on the 10th of October.

A. No.

Q. And what Lo & Lo said to you is this, paragraph 2, "You will recall that we have already advised you on several occasions when you called at our office that as there is minor interest existing under the intestacy, the law requires two Administrators."

10

A. No.

Q. What do you mean "no", Madam?

A. You mean that this was explained to me.

COURT: No answer is required from you yet. Counsel was just reading the letter given to you or alleged to have been sent to you by Lo & Lo, the content of the letter.

Q. Lo & Lo stated in this letter "We have already advised you on several occasions when you called at our office that as there is minor interest existing under the intestacy, the law requires two Administrators." Do you agree that they have given you that advice?

20

A. Do you refer to 196?

Q. Yes.

A. But I did not receive the letter.

Q. Did you receive that advice that is referred to in the letter?

A. What advice?

MR MILLS-OWENS: Please translate the first four lines of the second paragraph.

COURT: In other words you can't apply as an administrator singly. You have to have a co-administrator or administratrix. Have they ever advised you about that?

30

A. No.

Q. Lo & Lo go on to say, "We have advised you of the above facts and that there are two alternatives for you to take — either request Mrs. Doreen So Shuk Sze to nominate a co-administrator to apply with you jointly or for you to apply to Court to appoint a co-administrator to apply with you."

COURT: The whole gist of the letter is this; that first you need to have two administrators because there's a child involved, the interest of a child involved, namely your grandchild, but although your daughter-in-law had renounced her right to apply for letters of administration, you still need two persons. However under the law of Hong Kong they advised you that the surviving spouse, namely your daughter-in-law, could either nominate a co-administrator, or if she failed to do that also you would have to go to court and ask the court to appoint one, in other words, to apply with you together to get the letter of administration. In the circumstances they offered you two alternatives. One alternative was that either you write to Mrs. Doreen CHEUNG to nominate a co-administrator to apply jointly with you for the L.A., or alternatively you yourself acting alone apply to court and ask the court to appoint a co-administrator to act with you. And they say that they have already asked you to give them the name of a person and address of a person whom you wish to apply to court to be appointed as co-administrator, but you have failed to give them the name of that person or the address of that person.

*In the Supreme
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Cross-
examination
(continued)

10

20

A. They have been told. They gave me a document. They applied and there were some affidavit. There was one CHEUNG Sau-ling as co-administrator.

Q. So they did give you the advice that they say they gave you.

A. Whether it is the letter referred to or not I don't really know, but there was another letter when I went with my seventh daughter Sau-ling to see them.

30

Q. Madam, would you please listen to my question again? We can save some time. All I ask you is whether or not they've given you this advice, and from what you said now clearly they must have done so.

A. It was not a letter like this.

Q. Then you wrote letter 198 to the Water Authority. Is that your signature?

A. Is it in respect of Flat C1?

Q. Is it your signature?

A. I have to make clear about this letter.

Q. Is it your signature, Madam? You can either say yes or no or you don't know.

A. What was the year of the letter?

*In the Supreme
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High Court*

*Plaintiff's
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COURT: The date is irrelevant as far as the genuineness of the signature is concerned. Was that your signature on that letter or not? You can read your own signature, can you? So why bother to ask for the date? So it was your signature.

A. Yes, my Lord.

Q. Thank you. As it merely relates to water receipts I won't spend any more time on it. Lo & Lo wrote to you again on the 4th of March, 1970, page 205, by registered post, and they say, "We would refer you to our verbal advice given on numerous occasions and to our written letters in particular the ones dated 10th October and 27th December, 1969 on the requirement of a co-administrator for application for Grant of Letters of Administration."

10

A. No.

Q. No what?

A. About applying for letters of administration I was given a letter.

COURT: Madam, please, when you just say no, no, no, it means nothing to me. The content of this letter was read to you. Did you mean that you never received the letter, or did you mean that the content of the letter is untrue and they have never verbally advised you on numerous occasions that you need a co-administrator? Would you please listen until the question is finished?

20

Q. Did you receive this letter of the 4th of March, 1970 from Lo & Lo?

A. Is it about applying for letters of administration?

MR MILLS-OWENS: Please translate the first sentence to her again.

COURT: "We have already advised you on numerous occasions and in particular in writing", referring to these letters on these dates.

A. It has been applied. There was one appointed.

MR MILLS-OWENS: Please read the next sentence as well in the first paragraph.

A. It seems that I have received this letter, yes.

30

Q. And they further said to you that unless you gave them instructions without delay, they would not be able to act any further.

A. We have supplied the name of the co-administrator, that means I myself and my seventh daughter.

Q. You replied to that letter, in fact the next page 206. Is that your signature?

A. Yes.

Q. And you acknowledged receipt of the letter of 4th of March. You said you couldn't furnish the bond and that your son and daughter objected to acting as co-administrators.

*In the Supreme
Court of
Hong Kong
High Court*

A. What's the name of the seventh daughter?

*Plaintiff's
evidence*

Q. I don't know, Madam. This is your letter. "I have also requested my son and my daughter to act as one of the co-administrators but regretted that they all object to such proposal." This is March, 1970 we are talking about now.

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A. I just don't understand. There must be a letter of Chinese attached.

Cross-
examination

10 Q. Lo & Lo wrote to you again on the 11th of March, 1970, page 208.

(continued)

COURT: If I may interrupt here please. Madam CHEUNG, you said — every time a letter was shown to you you acknowledge your signature thereon but you said that there was always a Chinese letter. Was the Chinese you thought there a Chinese letter written by yourself or just a document with some notes?

A. If the paper is a big one, then at the bottom of it there would be something written there.

COURT: Who wrote it there?

A. I asked those who wrote the letter to translate.

20 COURT: Did you go to the street and ask a letter-writer to type the letter for you, or did you ask a friend to write these letters for you.

A. I asked a friend, different friends.

COURT: You write the Chinese on that letter and you send it off to Lo & Lo or to various people, I mean to the people to whom you address the letter?

A. To enable me to remember.

COURT: But if you send the letter away how can you remember the letter? The letter would no longer be with you.

A. Because I have a copy.

30 COURT: You mean that your own copy would keep the Chinese version, in other words, the person who wrote the letter for you would write the Chinese on the letter to be sent to Lo & Lo and write the Chinese on the letter, copy of the letter to be kept by you.

A. Yes.

COURT: Do you have your own copies?

A. No.

*In the Supreme
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examination
(continued)

COURT: You don't keep any of these copies.

A. I'll try to look for those letters for you.

COURT: Yes, and show it to your solicitor.

Q. And the purpose of the Chinese characters is simply a translation of the English, is it not?

A. Yes.

Q. There is no reason for there being any difference between the English and the Chinese, is there?

A. But whenever I had a letter addressed to them there would be a Chinese version.

10

COURT: So it is rather peculiar that these letters all bear your signature but they might be different letters.

A. I don't remember clearly the letters signed by me, but I have to look for the Chinese version before I could refresh my memory.

COURT: That is a different proposition, that you doubt whether the letters are yours. I have to decide whether these letters were in fact signed by you and sent by you.

A. It was signed by me.

MR MILLS-OWENS: My Lord, it's half past four, would that be a convenient moment?

20

COURT: Yes. Well, Mr. Mills-Owens, as this witness insists that all the letters she sent to Lo & Lo have some Chinese characters written on them, but from the photo copies of these letters none of them except one letter has Chinese written on it, where did these letters come from? Were they disclosed by Lo & Lo in the course of discovery or by either party or . . .

MR MILLS-OWENS: I'll get clear instructions by the lawyer from Lo & Lo if you like. My understanding is that Lo & Lo passed their file to Messrs. Gordon, Hampton & Winter who, of course, disclosed that on discovery, and the file was gone through and the letters that were thought to be relevant were extracted, copied and included in these bundles.

30

COURT: Yes. Well, of course, there might be some letters with Chinese and there might be some without, and these happen to be without — I don't know — because obviously quite a few letters have passed between the plaintiff and Lo & Lo on this matter. In fact I have already seen quite a few now.

MR MILLS-OWENS: My Lord, my learned friends hear what you say, and I am sure those instructing my learned friends, if there are documents in Chinese which . . .

*In the Supreme
Court of
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High Court*

COURT: Are relevant.

*Plaintiff's
evidence*

MR MILLS-OWENS: . . . assist their case or are relevant, I have no doubt at all that they will make them available to your Lordship by tomorrow.

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Cross-
examination
(continued)

10 COURT: Well, Madam CHEUNG, you insist that the letters you sent to Lo & Lo have Chinese writing on them and you say you have such copies.

A. Most of them.

COURT: You say that you kept copies of them.

A. Not exactly in respect of this particular letter.

COURT: But anyway whatever letter you have, if you think it's relevant and may help your case, then show it, even at this stage, show it to your solicitors as soon as possible, and better still go home tonight and have a look yourself and bring them back tomorrow.

A. Yes.

COURT: I adjourn to 10 o'clock tomorrow.

20 4.35 p.m. Court adjoudns.

13th April, 1978.

14th April, 1978

10.16 a.m. Hearing resumes

Appearances as before

CHEUNG SO Yin-kay o.f.o.

XXN BY MR MILLS-OWENS continues

Q. Madam you said yesterday that there were some Chinese documents. Have you found any that you have brought along to court?

A. Yes.

30 Q. Perhaps you could hand those to your solicitors.

JUDGE: That is the sum total of the Chinese document that you found is it madam?

A. Yes.

MR MILLS-OWENS: There are three documents here, in September and October 1973, one of which has Chinese characters on it.

JUDGE: Perhaps Mr. YU and his learned junior can peruse that.

MR MILLS-OWENS: As I say, these are dated 1973. I haven't got anywhere near 1973 yet.

Q. Could the witness please be shown A208? LO and LO sent you a letter dated the 11th of March, A208, in reply to yours of the 5th of March, A206, and you subsequently replied to that letter at page 210. Is that your signature at 210?

A. Yes.

10

Q. You start off by thanking LO and LO for their letter of the 11th of March, contents of which have been noted. So we can assume therefore that you received the letter of the 11th of March. Now in that letter 210, you say in the second paragraph "However I would like to know is there any time limit for any person who signs as surety in the above case to sell his or her properties and whether I am entitled to be one of the sureties". That refers to the necessity for the administrators to furnish a bond for double the value of the estate.

A. Yes.

20

Q. May I direct your attention to the second sentence in paragraph two at page 210. "Furthermore I also wish to know if I have complied with the requirement and obtain the Letters of Administration, whether or not the properties of the abovenamed deceased could be sold by the co-administrators". Now when you, madam, referred to "the properties of the abovenamed deceased" you were of course talking about flat C.1 and 6 and 7 Canal Road East.

A. Yes.

Q. And it is your terminology to describe them as the properties of the deceased.

30

A. But they were purchased by me.

MR MILLS-OWENS: My Lord I am sorry I have to raise the question of translation. I am instructed that it should be translated as "the deceased's property is the property which was purchased by me".

INTERPRETER: Is there any much difference?

JUDGE: The second sentence was ". . . and whether the property of the above deceased could be sold by the co-administrator".

MR MILLS-OWENS: What I am saying is the last answer of the witness, I am instructed, should be translated slightly differently, as I suggest.

JUDGE: I think she said "it was purchased by me" or "they were purchased by me".

*In the Supreme
Court of
Hong Kong
High Court*

INTERPRETER: "These properties were purchased by me".

MR MILLS-OWENS: The full answer was "The deceased's properties were purchased by me".

*Plaintiff's
evidence*

JUDGE: Did she say that? I only hear "they were purchased by me" in context, whatever it may be . . . She was not answering your question.

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Cross-
examination
(continued)

10 Q. The point I am putting to you madam is obvious really. You, in your own terminology in this letter of the 15th of March 1970 described them as "the deceased's properties" not as properties which were your properties and simply held on trust for you.

A. Before he died it was his property of course, but after he died it would be my property.

Q. Please turn to pages 215 to 219. Could the witness please be shown exhibits 'D' and 'P' I think they are. Madam I am going to show you the original document. This is the original, at page 218 my Lord. Is that your signature?

A. Yes.

20 Q. And also the signature of CHEUNG Shau-ling, your daughter?

A. Yes.

Q. And this was an affidavit sworn for the purpose of seeking Letters of Administration?

A. Yes.

Q. And it was interpreted to you by a Mr. YU Yi-leung. Do you remember swearing this affidavit?

A. I am not quite clear.

Q. Would you look please at page 212. At 212 I am instructed madam is a translation of clause two onwards in this affidavit that you swore.

30 A. Yes.

Q. You have seen that before?

A. Yes.

Q. Where did you see it?

A. In Messrs. LO and LO.

Q. Now at paragraph 4 you say that the deceased held his immovable properties under the name of CHEUNG Wood-lun.

A. Yes.

Q. If you disagree with me madam, just say so please. Now in paragraph 10 . . .

JUDGE: Did she answer to that question?

INTERPRETER: She just say the word "yes".

Q. In paragraph 10 in Chinese at page 212, in English at page 217, you say this:

"The estate of the said deceased and the value thereof at the date of his death which by law devolves to and vests in the personal representatives of the said deceased, are as set out in the Estate Duty Commissioner's Schedule of Property filed herein so far as at present can be ascertained. The gross value of the estate amounts to \$300,451.10."

10

And that was of course true was it not?

A. Not true.

Q. Why did you swear to it being true?

A. How on earth he can get all this money?

JUDGE: Why on earth did you swear to it?

A. Because I have say it.

JUDGE: Yes, precisely. Why did you swear it?

A. I just don't understand.

20

Q. I suggest you understand perfectly well madam.

A. No I don't.

Q. The figure of \$300,451.10 in the Estate Duty Schedule refers to the figure at page 194 which sets out the schedule of your son's property.

A. I just don't understand about these figures.

Q. That figure of \$300,451.10 includes of course the value of the two properties — flat C.1 and Canal Road — which together total \$299,000.

A. Oh! You don't mean cash?

Q. No. it includes the value of your son's properties.

30

A. Yes.

Q. And then in paragraph 13 you say that minority interests arise under the intestacy and is no life interest. That of course referred to the interest of your infant grandson, David Walter CHEUNG, your son's son. Yes?

A. I don't quite understand at the time.

- Q. You knew madam, didn't you, that David Walter CHEUNG, your son's son, was the person entitled to inherit his estate under TSING law? *In the Supreme Court of Hong Kong High Court*
- A. It was purchased with my money. How come that he should be the administrator? *Plaintiff's evidence*
- Q. The question I asked you is very simple. You were aware, were you not, that the person entitled to inherit your son's estate under the TSING law, was his son, namely David CHEUNG? *No. 5(1) P.W.1 Cheung So Yin Kay*
- 10 A. Although he was the son, but before he died of course he can give him the property; but after he died then it should be mine, or come back to me. *Cross-examination (continued)*
- Q. Well there are some other matters I must put to you formally madam. Now Messrs. LO and LO told you that as your son's son was an infant, it was necessary for his guardian to be a co-administrator for the grant of letters of administration.
- A. He did say so.
- Q. And you of course knew that the guardian of the infant was the widow, Doreen CHEUNG.
- 20 JUDGE: You know the question perfectly well, so answer it please. Do you agree or do you disagree. and if you disagree, who was the guardian?
- A. I disagree.
- Q. Who are you suggesting was the guardian of that child?
- A. I.
- Q. Was this one of the causes of the quarrels which took place between you and the widow, because she took her son away to Australia?
- JUDGE: She denied that there was any quarrel, Mr. Mills-Owens, the day before yesterday.
- 30 MR MILLS-OWENS: Yes my Lord. There is a letter later referring to the quarrels.
- JUDGE: Yes, but at the moment there is no evidence of any quarrels.
- Q. May I suggest to you madam that there were in fact quarrels over this, because of your daughter-in-law's intention to take the infant away to Australia.
- A. No, no.

*In the Supreme
Court of
Hong Kong
High Court*

*Plaintiff's
evidence*

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Cross-
examination
(continued)

Q. In any event, your solicitors then wrote to the widow suggesting that she withdraw her renunciation and make a joint application with you for a grant of letters of administration. Those are letters 226 and 228. I refer you in particular to the letter at 228, written by your solicitors to the widow. In the second paragraph your solicitors say:

“ You will appreciate that as it has been over five years since the deceased died and the estate comprised of properties which are required by the Hong Kong Government to be re-developed, it is of the utmost importance for the interest of CHEUNG Tai-wai, the son of the deceased, that letters of administration be obtained as soon as possible for the estate to be administered”. And then they go on to say “the Hong Kong Government has required the re-development of the properties at Section J of Inland Land Lot No. 746 (No. 6, Canal Road, East) to be completed before June 1973 and failure to comply with such requirement would result in the Crown resuming the property which would mean a great loss to the estate.”

10

Your solicitors were pointing out to her madam, that the grandson's interest would be greatly prejudiced if the letters of administration were not granted quickly. That prejudice was of course because the Crown might take back the Canal Road property and therefore the grandson wouldn't get the benefit of it. Presumably these letters were written on your instructions?

20

A. No.

Q. To go on, your solicitors wrote again at page 233, A233, to the widow, second paragraph of their letter says:

“ We wish to make it clear that you and your son David CHEUNG Tai-wai are the only beneficiaries to the estate of the abovenamed deceased and that you are the person entitled to apply for letters of administration. . . .”

30

In the next paragraph they say again:

“ You will appreciate that the urgency in this matter is due to the requirement by the Hong Kong Government that the property being No. 6 Canal Road, East (which form part of the estate of the deceased), has to be re-developed before June 1973 and failure to comply with such requirement would result in the Crown resuming the property which would mean that you and in particular your son would suffer a great loss as the estate of the deceased would be considerably reduced by the loss of the said property.”

40

I assume again madam, this was written on your instructions?

A. No.

- Q. You see, I suggest that this course of correspondence written by your solicitors is totally inconsistent with any suggestion that you instructed them that you were entitled to the properties and that your son was merely a trustee for you.
- A. It was inconsistent.
- Q. Can you offer any explanation as to why this firm of solicitors should act totally contrary to your instructions?
- A. I asked him to show me the letters he wrote. He said he had assigned Mr. CHENG of the solicitors to handle the matter.
- In the Supreme Court of Hong Kong High Court*
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Kay
Cross-examination
(continued)

10 MR MILLS-OWENS: Mrs. CHENG.

INTERPRETER: Mrs. or Mr.

Q. Was it Mrs. Stella CHENG?

A. Yes.

Q. Madam would you please answer my question. Can you offer any explanation as to why LO and LO . . .

A. All he said to me was "I am now going to write to your daughter-in-law and see if she wants it. If she doesn't want it, then you will have it".

20 Q. There were certain letters received by LO and LO from the daughter-in-law. I do not propose to read them, (they are there in the bundle for your Lordship to read of course) and they will be drawn to your attention in due course. Your solicitors LO and LO wrote again to the widow, a letter of the 22nd of February, which is in B44, and again in paragraph No. 1 they say:

"You and your son David CHEUNG Tai-wai are the only beneficiaries to the estate of the deceased, irrespective of who the administrators may be."

And they say in paragraph 4 again:

30 "The property at No. 6 Canal Road East is required by the Government to be re-developed before June 1973 and failure to comply with such requirement would result in the Crown resuming the property which would mean that you and in particular your son would suffer a great loss as the estate of the deceased would be reduced by the loss of the property."

And in paragraph 6, page 45, they say:

"If you are not willing to retract your renunciation and to apply for letters of administration, then to prevent the resumption of the property at No. 6 Canal Road East by the Government, Mesdames CHEUNG SO Yin-kay and

CHEUNG Shau-ling will apply to court for an order to appoint them as administrators of the estate for the use and benefit of the said David CHEUNG Tai-wai until he shall attain the age of 21 years."

- A. You mean I and Shau-ling?
- Q. Are you suggesting that that letter also was written without instructions and against your instructions?
- A. Yes.
- Q. At page 240 in bundle 'A' LO and LO wrote to the Land Office, the purpose of the letter being to apply for an extension of twelve months to fulfil the re-development requirements. That is the last paragraph of 241. And at the top of page 241 they say "Our client . . ." that is you madam, ". . ." does not wish to aggravate the unhappy differences between her and the said widow . . ." What were those unhappy differences? 10
- A. LUI Kwai-wing told me to obtain a loan from Wing On Bank for development. I asked him how much would be required, and then they consulted an architect about the estimate.
- Q. Madam may I repeat my question. I don't know whether you are answering it or not. Your solicitors referred to "unhappy conditions" between you and the widow. I am asking you what those unhappy conditions were. 20
- A.9 Just because I refused to obtain a loan for development, then he said that I . . . "You deserve . . ."

JUDGE: "He"?

INTERPRETER: He. I think she . . .

JUDGE: Who is "he"?

- A. "He" I refer to LUI Kwai-wing, solicitor. He deserved to be sued by your daughter-in-law. (sic)
- Q. Please look at page 247. Your solicitors sent you a copy of the letter they received from the Chartered Bank, and that letter from the Chartered Bank is 246, in which they say that they had been requested by the widow to act on her behalf to administer the estate. 30
- A. I don't remember this letter.
- Q. Do you remember being told by LO and LO that the Chartered Bank had written saying the widow wanted them to administer the estate?
- A. This is not mentioned.

Q. And on the 21st of May 1973 you gave LO and LO some instructions to send certain documents to the Chartered Bank.

A. No, I did not.

*In the Supreme
Court of
Hong Kong
High Court*

MR MILLS-OWENS: My Lord I am referring to the footnote on 247, which is the bottom. It says "21/5/73 Instructed by client to send copy to Chartered Bank Trustee".

*Plaintiff's
evidence*

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Cross-
examination

JUDGE: Yes.

Q. And consequently LO and LO wrote, on your instructions madam, on the 21st of May 1973, the letter at B50.

10 A. I didn't know about this.

Q. I suggest you did.

A. No I don't.

Q. LO and LO wrote the same day that they spoke to you and they say:

"We are instructed by our client to send you herewith a copy of the certificate of receipt of estate duty and schedule of property of the above estate.

20 We are further instructed by our client that she has paid out of her own pocket certain expenses, e.g. estate duty, rates, compensation to tenants etc. relating to the above estate. Please note that such payments are debts due by the above estate to our client. Details of such payments will be sent to you in due course."

A. There was some mention about rents and expenses.

Q. You told LO and LO to claim your expenses from the estate.

A. I showed them some bills.

Q. Why?

A. He asked me what sort of expenses.

30 Q. The purpose of this was so you could claim out of the estate, which was going to be taken over by the Chartered Bank.

A. No, no.

Q. As a result of this development, did you consider going to Australia to visit your daughter-in-law?

A. No, I did not consider.

*In the Supreme
Court of
Hong Kong
High Court*

*Plaintiff's
evidence*

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Cross-
examination
(continued)

Q. Messrs. LO and LO wrote to TSO & Co. on the 28th of August 1973 at B99, saying that was your intention. That was in the second paragraph:

“ We are instructed by our clients that Mrs. CHEUNG SO Yin-kay is planning to visit her daughter-in-law, namely the widow of the deceased, in the very near future when she will discuss this matter with her ”.

A. No such thing.

Q. That was because there was an enquiry as to whether you would be withdrawing your application for letters of administration. Messrs. LO and LO wrote to you again on the 23rd of August 1973 at page 257, (I am sorry, this is prior to the last letter my Lord. A257) sending you a copy of the letter from TSO & Co. of August 21st.

10

A. Yes.

Q. They then spoke to you on the telephone on the 28th of August 1973.

A. Who?

Q. Somebody in LO and LO, probably Mrs. Stella CHENG; and you gave them instructions you were not prepared to withdraw your petition pending your coming visit to your daughter-in-law in Australia.

20

A. On a number of occasions I was told to withdraw. I did mention I refused to withdraw.

Q. Then did you write the letter at page 259 and 260 to LO and LO? Is it your signature?

INTERPRETER: She asked us to read the Chinese version to her.

A. Yes, it was my letter.

Q. Yes, quite; and you wrote again on the 1st of October, that is the letter at 284, again saying you did not intend to withdraw your application.

A. Yes.

30

Q. That is your signature is it?

A. Yes.

Q. Then on the 22nd of December 1973 LO and LO sent you a copy of a letter from TSO & Co. of the 12th December 1973, at pages 268 and 267. Do you see the letter at 268?

“ We send you herewith copy letter from Messrs. TSO & Company dated December 12, 1973 ”.

That informed you that letters of administration to the estate of the deceased had been granted to the Chartered Bank.

A. I know nothing about this.

40

JUDGE: I take it all these are necessary to show her intention, Mr. Mills-Owens, about the letters of administration?

*In the Supreme
Court of
Hong Kong
High Court*

MR MILLS-OWENS: Your Lordship appreciates that in the pleadings it is now contended that the deceased held the property on trust for the plaintiff; but the first time that is suggested in correspondence is on the 25th of February 1974, some seven years after the death of the deceased. We shall be coming to that letter very shortly.

*Plaintiff's
evidence*

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Cross-
examination

JUDGE: Yes.

10 Q. Messrs. TSO & Company, acting for the Chartered Bank, who had obtained letters of administration, wrote to your solicitors on the 12th of December 1973 asking for the documents and title deeds to the estate and the property to be delivered up, and you have so far refused to deliver up the title deeds. Yes?

A. Right.

Q. You know that Chartered Bank had been appointed the administrator of the estate.

A. I don't know. Not until I read the newspaper.

Q. You know now.

20 A. I came to know after I read it from the newspaper. So I immediately went to see my solicitor.

Q. That was in about December, 1973.

A. Yes.

Q. So you . . .

A. In the newspaper it urged for immediate interview.

Q. You know that as the formerly appointed administrator of your son's estate, the Chartered Bank are entitled to have the title deeds to the properties comprising that estate.

A. I have raised my objection. There was a letter and in the letter I had said that I refused to withdraw.

30 Q. You also refused to hand over the title deeds. And I suggest, Madam, you should have handed them over.

A. I raised objection in my letter and I took it that Messrs. Lo and Lo would be handling the matter properly for me, and I relied on them.

Q. So you were informed that . . .

A. Not until I read from the newspaper, then I went to see them.

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MR MILLS-OWENS: Could the witness please be shown B 118? Is there a Chinese document attached to that, please — the next page?

INTERPRETER: No.

MR MILLS-OWENS: May I just take instructions on this? (A pause.) My Lord, I wish to put the Chinese document to this witness. There seems to be some slight disagreement as to where the original is at the moment. This would be the convenient moment to take a short break, my Lord; and I will find it.

COURT: Very well.

11.30 a.m. Court adjourns.

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11.55 a.m. Court resumes.

Appearances as before.

P.W. 1 CHEUNG SO Yin-kay — o.f.o.

XXN BY MR MILLS-OWENS (continues):

Q. Please look at this document, Madam. You will see your signature on it.

MR MILLS-OWENS: My Lord, this is B 118.

A. That is my signature.

Q. That is a letter that you wrote to the widow dated 31st December, '73.

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A. There was a Chinese copy.

Q. Yes, just look at this please.

COURT: Is it a Chinese letter?

Q. That is a Chinese copy that you kept, is it not?

A. Yes.

MR MILLS-OWENS: Could both of those be produced as an exhibit, please?

COURT: The original of B 118, exhibit G.

MR MILLS-OWENS: It's G 1 and 2, is it, my Lord?

COURT: G 1 and G 2. B 118 is G 1 and the Chinese version of its original is G 2.

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MR MILLS-OWENS: Yes.

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COURT: Yes.

*Plaintiff's
evidence*

Q. That is a letter by you, Madam, in which you sent your daughter-in-law photostat copies of the letters from Tso and Company and Lo and Lo and pointed out that Letters of Administration had been granted to the Chartered Bank.

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(continued)

A. Yes, that was according to the advertisement in the newspaper. Once I read from the newspaper, I wrote to her immediately.

10

Q. And you go on to say, "In the circumstances, please think it over again and it is preferred that since you are one of our family members and that David Cheung is our natural and lawful grandson, it is quite natural that the estate of Ng Lun should be administered by his family members having blood relationship, . . ." And then you go on to say, ". . . particularly the fact that I am only acting as the stake-holder and that the properties will eventually belong to you and David Cheung, . . ."

A. Yes.

Q. And so you asked your daughter-in-law to write to Tso and Company to cancel the appointment of Chartered Bank.

20

A. Yes.

Q. Now in writing this letter, Madam, what you are saying is if you are appointed an administrator, you will only be a stake-holder holding the properties for the widow and her son.

A. I hoped that she could withdraw it and then there would be no dispute. I will get back from him or her.

COURT: "I will . . ." — what?

INTERPRETER: "I'll get it back from him or her" — I don't know what she meant.

A. I'll get back my right, then I can sue the bank.

30

Q. What is your explanation, Madam, for your use of the expression, "that I am only acting as the stake-holder"?

A. What I was trying to tell her was to ask her to withdraw her appointment of the Chartered Bank.

Q. So that you could be appointed administrator.

A. Of course, then I would be.

Q. Then you would hold the properties as stake-holder for her and her son.

A. Yes, I would be managing or administering the estate.

Q. Yes, the properties you are referring to there are C1 and Canal Road properties.

A. Yes.

Q. And you are saying that if appointed as administrator, you would be holding those properties as stake-holder for her and her son — yes or not?

A. What I meant was that I would in any event die and the property will in any event be my children's property. 10

COURT: Sorry, "When I die . . . "?

INTERPRETER: "When I die, the property would belong to them, to my children."

COURT: "To them and my children"?

INTERPRETER: "My children" or "them", she didn't actually . . .

COURT: What exactly do you mean, "they" or "he" or "she"?

A. I mean my children, or my grandchildren, my descendants.

Q. But you don't say that, Madam; you say specifically "you and David Cheung" — "you" being Doreen Cheung, the widow, and "your son David Cheung" being the grandson. 20

A. Yes. I asked her to get back the Letters of Administration. In any event, when I die, the property will belong to them.

Q. This letter says nothing about when you die.

A. No, but that was in my mind.

MR MILLS-OWENS: But unless my learned friend wants me to do so, I don't intend to put every letter to the witness.

MR YU: No, indeed, my Lord. In fact I would have thought it rather unnecessary to take this witness through all the — the bundles have been agreed. My learned friend has addressed your Lordship on this. 30

MR MILLS-OWENS: My Lord, I am grateful for what my learned friend says, but of course frequently if one simply does that, it is then said, "But you haven't put this to the witness to give her an opportunity of saying what she wished to say in response to what is in the document."

COURT: Because so far this would reflect — whatever correspondence that would reflect the matter in issue and that's her intention at the time, yes, she is entitled to be cross-examined or to be asked questions so that she can either agree or disagree or tell freely. But when it comes to a matter purely administrative and does not reflect on any matter in issue, I think — well, after all, these are agreed bundles.

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10

MR MILLS-OWENS: Yes, my Lord. It comes back really to the point that I addressed you on before this witness started giving evidence, that the subsequent conduct, in so far as it's against interest, is relevant on questions of intention and that's why I'm afraid I've spent a rather long time in going through it.

Q. Now on the 17th of January, 1974, Tso and Company wrote to your solicitors, Document B120, asking for you to account for rental received in respect of the properties and for you to deliver up title deeds. And which you had not done. And again by letter dated 29th of January, 1974, Tso and Company wrote directly to you asking for you to account for rentals and deliver up title deeds which you had not done.

20

A. There was no mention about delivering of title deeds.

Q. Well, Madam, the letters at B122 and 123 speak for themselves. Tso and Company pressed you to deliver up the title deeds and said that if you didn't, they would have to commence legal proceedings.

A. It was a letter to Messrs. Lo and Lo to the effect that unless I delivered up the deeds, otherwise, I would be held responsible for all consequences.

Q. Yes. You then instructed Gorden Hampton and Winter in February, 1974.

A. Yes.

30

Q. And they wrote on your behalf on the 18th of March, 1974. . . . I am sorry, before I get there, I should refer you to the letter at B125. Is that your letter?

A. Yes, my letter.

Q. You wrote to Tso and Company, claiming that you were the owner of the estate.

A. Yes.

Q. And the new solicitors wrote on the 18th of March, 1974, A280, claiming for the first time that these properties did not form part of the estate of your son and that you were the sole person beneficially entitled to them.

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(continued)

INTERPRETER: Do you refer to 280?

MR MILLS-OWENS: 280.

INTERPRETER: Is it from Mr. Hampton?

MR MILLS-OWENS: Yes.

A. It is said that the property belonged to me.

Q. Those solicitors write, "Madam So Yin Kay claims to be the sole person beneficially entitled to the properties . . . and that accordingly such properties do not form part of the estate of the abovenamed deceased."

A. Yes, yes. 10

Q. In fact, Madam, this is exactly seven years after your son committed suicide that you suggested for the first time these properties do not form part of his estate.

A. I read from the newspaper.

Q. Now I have not referred you to the correspondence, of which there is a large amount, with the Land Office relating to the redevelopment of Canal Road East. But you know that there was a time limit for redevelopment of that property.

A. Yes.

Q. And there were a large number of letters written to inform the Land Office about extension of time. 20

A. Yes.

Q. And several final deadlines were given by the Crown with the threat that the property would be re-entered by the Crown if redevelopment didn't take place. You were aware of that, weren't you?

A. I asked the solicitor that since there were the proceedings pending, whether Government would — before the conclusion of the proceedings, would the Government re-enter? And my solicitor's reply was that the Government will not or may not re-enter.

Q. But you knew that the Crown had written on numerous occasions pointing out that unless the property was redeveloped, they may well re-enter. 30

A. And then the Chartered Bank will be held responsible.

Q. There wasn't sufficient money in the estate, was there, for the redevelopment, in the estate of your son?

A. But I could figure about the funds for development.

- Q. And in fact the final deadline was to expire, I think, in May, 1977. *In the Supreme Court of Hong Kong High Court*
- A. What I know was this if they don't interfere with my property, then if I suffer damages, it's my own problem, if they do interfere with my property, then they will be held responsible. *Plaintiff's evidence*
- Q. What I wish to put to you, Madam, is that even in, I think, March, 1977, knowing that there was a very great risk of re-entry by the Crown, and the consequent loss, you nevertheless instructed your solicitors to oppose the application then made for the sale of the property. *No. 5(1) P.W.1 Cheung So Yin Kay Cross-examination (continued)*
- 10 A. I refused to sell.
- Q. Now there are a number of miscellaneous points that I have to put to you. Was the deceased your favourite son?
- A. Because he was sick, so I loved him more than the others.
- Q. And the funds that you paid into the Liu Chong Hing Bank account which was opened in 1965, were they paid in for the purpose of meeting the redevelopment cost of Canal Road?
- A. It wasn't necessary.
- COURT: Pardon?
- A. It's not necessary.
- 20 Q. Wasn't that the purpose of opening that account?
- A. Because I was afraid once I die, my son might not have money.
- Q. I suggest to you, Madam, that in 1967 when the widow was still in Hong Kong.
- A. Yes.
- Q. And the question of Letters of Administration came up, you said to her that since she was intending to obtain the grant of Letters of Administration, she had to pay rates and in fact she did pay the rates for the properties in your son's estate for the third quarter of 1967.
- 30 COURT: Rates for what?
- Q. For — at the moment I can't tell you whether it's Canal Road or Flat C1, but my instructions are for the third quarter of '67. You required that the widow pay the rates because she was seeking the grant.
- A. I don't remember clearly now. The demands for rates were not delivered to her address.

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(continued)

COURT: Pardon?

A. The demands for rates

COURT: The demand note, yes?

A. . . . were not sent to her address.

Q. What I am suggesting is that you demanded that she pay the rates.

A. No.

Q. I suggest that at no time did you instruct Lo and Lo that the properties in question were not properties of the deceased, but properties held in trust for you.

A. No, I did give instructions to them and I showed them all the documents or receipts. 10

MR MILLS-OWENS: My Lord, I have no further questions. I am much obliged.

REXN BY MR YU :

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- Q. Madam, this morning when my learned friend was asking you questions about Document A210, which was one of your letters to Lo and Lo, he particularly pin-pointed your reference, the second last line, to the properties of your deceased son; and you told him that by these properties you meant Flat C1 as well as Nos. 6 and 7 Canal properties. Remember that?
- A. Yes.
- 10 Q. And on two occasions you told him in answer to his questions that before your son died, those properties were his, after his death, they would be yours.
- A. Yes.
- Q. But C1 was purchased in 1959, correct?
- A. Yes.
- Q. No. 6 and No. 7 Canal properties were purchased in 1964.
- A. Yes.
- Q. In '59 and 1964 you did not expect the son would be deceased immediately.
- A. Quite.
- 20 Q. So the question of your son dying before you did not arise at the time of the purchasing of the properties.

MR MILLS-OWENS: I am sorry, before the question was put, I am grateful if my learned friend would put his question in such a way as not to put words into the witness's mouth.

MR YU: All right.

- Q. In '59 to '64 did you expect your son to decease before you?
- A. No, I would not.
- Q. So did the question of to whom the property belonged after the son's death arise then?
- 30 A. Quite.
- Q. So the only question was while he was alive to whom the property belonged.
- A. Yes, when he was alive, it belongs to him.

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*Plaintiff's
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Re-examination
(continued)

Q. So even in '59 and '64 while he was alive the property would belong to him.

A. Right.

Q. Madam, why didn't you tell either your solicitor or me of this before?

A. It's not so lucky to have the son die before me.

MR YU: My Lord, I shan't bother with any other re-examination as a result of this, my Lord.

COURT: Right. Yes, you may step down. Yes, Mr. Yu?

MR YU: My Lord, I do not intend to call any other witnesses. 10

COURT: That's the end of your case. Mr. Mills-Owens?

MR MILLS-OWENS: My Lord, in view of the witness's last answers, may I ascertain from your Lordship whether the plaintiff is pursuing his claim for declarations?

COURT: Yes.

MR YU: My Lord, I have no instructions to withdraw the claim, and I would . . .

COURT: You would stand on the affidavit?

MR YU: Yes. I would be surprised if my learned friend does not make a submission on those answers, my Lord, and I almost — I express no more than a view of mine. In fact I took instructions before I pin-pointed that matter. 20

COURT: Yes.

MR YU: Because even without my re-examination, things couldn't have been any worse for her. We would like to know where matters stood as to her frame of mind in '59 and '64, and on instructions I asked the questions to help, to assist your Lordship to decide the matter.

COURT: Yes, I appreciate that.

MR YU: And besides it, I know my client well enough by this time, and I am quite sure that if I were to take instructions, it would be not to withdraw it from the claim, but that doesn't matter, it does not change the position of the evidence as far as the law is concerned. 30

COURT: Yes, Mr. Mills-Owens? Are you prepared to proceed now or would you rather I adjourn to two-thirty so that you can consider the position, whether you would call any witnesses?

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MR MILLS-OWENS: I would be very grateful if your Lordship would do that. I can see the obvious course open to me. The only problem that addresses itself to my mind of course is that in civil matters, one is usually required to make an election and if I am not put to any election, then I shall certainly make a submission.

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(continued)

COURT: I am afraid you will be, yes, in this case, you are.

10 MR YU: My Lord, if I do not ask my learned friend to make an election, my instructing solicitor and I could be in trouble with my client.

COURT: That is the position. He must make an election.

MR YU: I don't have to make matters any more clear to my . . .

COURT: Yes, your position is quite clear to me, yes.

MR MILLS-OWENS: My Lord, would you adjourn now so I can take instructions?

COURT: I will adjourn to two-thirty so that you can take instructions, yes.

20 MR YU: My Lord, could I suggest three o'clock because if we are going to have a long adjournment, I would rather prefer a proper lunch to a sandwich lunch.

COURT: Very well, three o'clock then.

12.35 p.m. Court adjourns.

14th April, 1978.

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IN THE SUPREME COURT OF HONG KONG

HIGH COURT

ACTION NO. 1196 OF 1974

No. 6
Reasons for
judgement of
the Honourable
Mr. Justice Li
14th April, 1978

—————
BETWEEN :

CHEUNG SO YIN KAY

Plaintiff

and

THE CHARTERED BANK
HONG KONG TRUSTEE LIMITED

Defendant

—————
Coram : Li, J.

Date : 14th April 1978 at 4.08 p.m.

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Present : P. Yu and Chan (Gordon & Winter & Glynn) for plaintiff
R. Mills-Owens (Deacons) for defendant

—————
JUDGMENT
—————

This is a tragic case, tragic in the sense that an old lady who has suffered the loss of a son should have to fight an action against her son's wife. The background of this case is that in 1959 she purchased two flats, namely C1 and C4 of Great George Building in Paterson Street in the name of two of her sons. I will refer to only one of the flats that was purchased in the name of her son who subsequently predeceased her, that is Flat C1. In 1964 she purchased a set of properties known as No. 6 and 7 Canal Road East, also in the name of her son who predeceased her. The son was named CHEUNG Ng-lun *alias* CHEUNG Wood-lun. She purchased all the properties, both sets of properties with her own money. Ever since the date of purchase she collected rents and profits of the properties. At some times she even lived in Flat C1 for a short while. She paid all the rates, taxes and outgoings for these properties. These she treated as her own. Her son was affected by a form of mental illness. In 1967 he died taking his own life. Perhaps I should mention that she also had a savings account at the Liu Chong Hing Bank where she put in from time to time substantial sums of money of her own. The account was in the name of her son CHEUNG Ng-lun though operated by her with a chop and a specimen signature was also in her own handwriting. The son died on the 19th of March 1967. On the 20th of March she immediately withdrew every cent from that savings account in

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Liu Chong Hing Bank and closed it. The amount came to \$122,800. After her son died there was the question of obtaining grants of letters of administration and that's where the dispute started. She wanted to be the administratrix and so did the widow of her deceased son. There was the question of estate duty and swearing of affidavits. These she entrusted to the family solicitor or a solicitor well known to them in Messrs. Lo & Lo.

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10 The dispute arose in that the daughter-in-law at first wanted to be administratrix. She applied for a grant of letters but she had no money to pay for the estate duty. Then she left in rather unhappy state of mind for Australia to make a living. To do so she renounced her right to apply for grant of letters. The plaintiff then applied. On subsequent advice, the daughter-in-law withdrew her renunciation and applied again. This time, the defendant, The Chartered Bank Hong Kong Trustee Ltd., was authorized by the widow of the deceased son to act for her and successfully obtained letters of administration. There was an advertisement by the defendants, The Chartered Bank Hong Kong Trustee Ltd., for claims against the estate. At that point the plaintiff, the mother, stepped in and claimed that she was in fact the owner of the properties, Flat C1 and 6 and 7 Canal Road East.

20 The plaintiff's case is that as she paid for all the properties, all along she collected rents and profits and paid all the outgoings and retained all the title deeds in her possession, she was the real owner of those properties. The son was holding the properties on a resulting trust for her. Similarly the bank account was also operated under the same principle and in the same way. The son didn't even know of the existence of that bank account. For this reason the plaintiff claim that there should be a declaration that the sets of properties, the flat and the houses in Canal Road, should be declared her properties and that the defendants, The Chartered Bank Trustee Ltd., should forthwith assign to the plaintiff the properties and pay for whatever consequential damages for mishandling the properties.

30 The defence is that the flat and the Canal Road properties were in fact gifts by the plaintiff to her deceased son in view of the parent and child relationship. It was alleged at one time that whatever money that was used for the purchase of these properties the money came from the plaintiff's husband who was the deceased son's father and that the son should have a share. However, in view of the documents agreed between the parties before the commencement of the trial, learned counsel for the defendant abandon this defence. The whole issue between the parties rests on one question, whether the properties were gifts by the plaintiff to her deceased son at the time of the purchase or the son was holding the set of properties in a resulting trust for the plaintiff. Similarly the same principle applies to the bank account with the Liu Chong Hing Bank. That is the issue.

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So far as the law is concerned, I don't think there is much dispute between learned counsel for the plaintiff and learned counsel for the defendant. The law is fairly clear. Having considered the authorities cited by Mr. YU,

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counsel for the plaintiff, I am satisfied that where the situation arises when a parent purchased property in the name of a child it was the intention of the parent at the time of the purchase, immediately before or immediately after the purchase, that counts and everything depends on the intention of the alleged donor. Such intention is to be collected from various circumstances including evidence of her subsequent conduct. In most of the case cited to me the donor had died and the evidence adduced before the court would be past events. The donor would not be in court to testify as to his or her intention. However, this is a different case. The alleged donee had died the alleged donor is very much alive. She is in court to give evidence of her intention. All her declarations subsequent to the purchase may be relevant. But it is her intention at the time of the purchase that counts.

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I will proceed to deal with this aspect given by the plaintiff who is the alleged donor. I propose to deal with the properties in one compartment and deal with the bank account in another. I will deal with the properties first.

According to the plaintiff whose evidence is the sole oral evidence before this court when she purchased the properties her son — the deceased son was still living in 1959 — had been suffering from some mental illness. She was afraid that there was no one to provide for him. She had been looking after him, paying for his keep and maintenance all along. At that time she had every expectation that the son would survive her. She feared that her son would have nowhere to live and no one to look after him after her death. She purchased two flats in the Great George Building in Paterson Street, one at Flat C1 and another flat C4 in the name of the deceased son's brother with a hope that after she died the other brother would look after the son, the deceased son, should be survive her. Having purchased that in the son's name she immediately asked the son to sign a power of attorney in her favour. Similarly in 1964 she also purchased the property in 6 and 7 Canal Road East. Immediately after the purchase or shortly after the purchase she asked her son, the deceased son, to execute a general power of attorney in her favour. That was the way in which she managed the properties. It is of interest to observe that while she said that the properties were held by the son in trust for her she did not see fit at that time to have this trust expressly mentioned in the documents or deeds of assignment, nor indeed in any power of attorney. This is understandable because she said that once she died the son would not require to go through the procedure of applying for letters of administration or for probate of her will and that the son would then step into her shoes vis-a-vis the properties. The fact that the documents have not mentioned any trust is neither here nor there. But there is the other aspect to the case. The plaintiff's son got married sometime in 1966. A few months after the marriage her son died on the 19th of March 1967. The question of having to swear affidavits to satisfy the estate duty office as to the estate of her son was necessary. First, the

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son's widow filed an affidavit which included the properties Flat C1 of Great George Building and 6 and 7 Canal Road East as part of her deceased son's estate. No mention was made that there had been any resulting trust for the plaintiff. The plaintiff subsequently had two occasions to file corrective affidavits for the same purpose. These are evidence in documents 'B' 21 to 24 and 'B' 25 to 28. In neither of these corrective affidavits signed and sworn by the plaintiff that the question of trust property was mentioned. Had the properties been held in trust, in favour of the plaintiff, obviously they should not be included as part of the estate of her deceased son. Once the properties

10 are excluded very little or practically no estate duty would be payable in view of the size of the estate. However, the plaintiff saw fit to allow the properties to be included in the son's estate. As a result estate duty of over \$19,000 had to be paid to the Government. There are numerous correspondence between the plaintiff and the solicitors then acting on her behalf, namely, Messrs. Lo & Lo, and correspondence by Lo & Lo to various Government offices, namely, the Land Registry, the Estate Duty Office. In all these correspondence the properties as C1 and at Canal Road were treated on the basis that they were part and parcel of the deceased son's estate. Such subsequent conduct of the plaintiff would reflect on her intention.

20 But there is something more important. In the course of her evidence the plaintiff appears to accuse her then solicitor of acting in every way contrary to her instructions. According to her the payment of estate duty, the treatment of the properties as part of her deceased son's estate were not her instructions. Her instructions were that if she should pay the estate duty then the properties would be managed by her, and would go back to her. This possibly was due to lack of understanding of legal procedure and law, or that the plaintiff refused to know them or understand them. Further in the course of cross-examination when the plaintiff says that as long as the son was living the property was his and he could give it to the grandson, but when he died

30 — that means the deceased son died — the property should belong to her. Learned counsel for the plaintiff in re-examination asks her to explain that statement. She repeats the same. She says that even at the time of the purchase between 1959 and 1964 that was her sentiment, namely, that as long as her son lived the property belonged to the son and when the son died the property would belong to her. Well, that is completely inconsistent with the allegation of trust. If the son should live possessed of the properties he died possessed of the property. The only conclusion I can draw in view of her evidence and of her conduct in dealing with her son's estate is that she meant the son to have these properties. She mistakenly believed that

40 when the son died the property would then go back to her as the oldest member and the head of the family.

As far as the bank account is concerned her evidence is that she opened the account with all her money and she operated the account from time to time. The intention was that she must keep a substantial sum of money in

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a bank so that when she died the son would not be in need. She says: "I operated the account that when I died my son would have it". Although she borrowed the son's name, she used a chop, she signed the son's name herself. The son never knew of the existence of this bank account. The very day the son died she withdrew all the son's money. I had a look at the statement of account at document 'A' 316 to 318. I find that from time to time the plaintiff put in various sums of money for deposit of three months. After deposit of three months there was no immediate replacement or redeposit. Some redeposits were made after a gap of some four months, three months or two months. In other words there were certain times of the year when there was no money in the account at all, and that is the only evidence before me.

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Coming back to the general picture, I am satisfied that the plaintiff being a widow and having a son suffering from mental illness took upon herself, as a mother, to provide for him. There is every indication to show that when she purchased the property it was intended to be an advancement in view of her answer. The money aspect is to be seen in a different light. The money was there. But it was not deposited to be an immediate gift to the son. The son would have the money when she died and after she died. In other words, at the time when she deposited the money it was intended for the son after she died and not as a gift per se at the time of deposit. Thus I must treat the bank account on different basis. These are all the evidence as such. And Mr. Mills-Owens reminds me with a passage in Snell at page 179. As far as the money is concerned he says that:

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" Thus where a husband puts property into his wife's name, he cannot be heard to say that he did so to defeat his creditors, or to evade government restrictions or taxes, whether British or foreign, and that his wife knew this. The rules of equity cannot be used to aid iniquity, and the presumptions will apply unless a proper ground for rebutting them is both pleaded and proved. "

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I must confess that there is every indication that the plaintiff when depositing the sums of money intended to enable the son immediately to withdraw the money upon her death without having to go through application for grants of probate or letter of administration. However I cannot presume that she had a guilty intent to evade estate duty. For this reason I will not act on that passage.

Having said so much, the sum total of this judgment is that the plaintiff's action must be dismissed insofar as it concerns the properties. The defendant's counterclaims in the first four paragraphs must succeed, namely, that there shall be a declaration that the deceased's said child CHEUNG

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Tai-wai is the only beneficiary in the estate of the deceased subject to the maintenance for the deceased's said widow according to Chinese law and custom; (2) an order for the plaintiff to deliver up all the title deeds in relation to the flats in question, a declaration that the plaintiff has no interest therein; thirdly, an order that the defendant is to receive proceeds of sale of the Canal Road property ; and fourthly, an order that the plaintiff is to account for what is due to the said estate of the deceased in respect of rents, profits and income received by the plaintiff. Of course the plaintiff is entitled to set off all the outgoings and, I presume, although it is not asked, the estate duty that she paid in respect of the deceased son's estate. And the counter-claim in paragraph 5 about the bank account, the money that has been withdrawn from the bank account is dismissed.

In the Supreme Court of Hong Kong High Court

No. 6
Reasons for judgement of the Honourable Mr. Justice Li
14th April, 1978
(continued)

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Having heard learned counsel on the subject of costs, I do feel that the matter of costs should follow the events. I now realize that in cases of this nature when there is any doubt in the construction of documents and in any ambiguous point in law may apply to court for direction and costs met out of the estate. But this is a claim and depends very much on evidence of fact. For these reasons I will order that the plaintiff's action to be dismissed with costs to the defendant and the defendant will succeed in its counterclaim with costs. The costs should be on party and party basis. I do not see any justification in this case to order costs at common fund. However, I would add to this direction that the widow, as a necessary witness has a long way to come from Australia. This should be taken into account.

IN THE SUPREME COURT OF HONG KONG
HIGH COURT

BETWEEN :

CHEUNG SO YIN KAY *Plaintiff*

and

THE CHARTERED BANK
HONG KONG TRUSTEE LIMITED *Defendant*

BEFORE THE HONOURABLE MR. JUSTICE LI IN COURT

JUDGMENT

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This 14th day of April 1978

This action having been tried before the Honourable Mr. Justice Li without a jury at the High Court in the Supreme Court of Hong Kong and the said Mr. Justice Li having on the 14th day of April 1978 ordered that the Plaintiff's claim be dismissed and judgment as hereinafter provided be entered for the Defendant on the Claim and Counterclaim.

It is adjudged : —

(a) That Cheung Tai Wai, the son of the late Cheung Ng Lun *alias* Cheung Wood Lun, deceased (hereinafter referred to as "the deceased") is declared to be the only beneficiary in the estate of the deceased subject to maintenance of the deceased's widow, Doreen Cheung, according to Chinese law and custom.

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(b) That the Plaintiff do deliver up the title deeds relating to one equal undivided 280th share of the premises registered in the Land Office as the Remaining Portion of Inland Lot No. 470 and known as Flat C1, 2nd floor, Great George Building, 11 Great George Street, Causeway Bay, Hong Kong (hereinafter called "the flat") to the Defendant and that the Plaintiff has no interest therein.

(c) That the Defendant do treat the proceeds of sale of the premises registered in the Land Office as Section J of Inland Lot No. 746 and known as Nos. 6 and 7 Canal Road East, Hong Kong (hereinafter called "the Canal Road properties") as an asset of the estate of the deceased to the exclusion of any interest therein of the Plaintiff.

*In the Supreme
Court of
Hong Kong
High Court*

No. 7
Judgement
14th April, 1978

(continued)

10 (d) That the Plaintiff do account for what is due to the estate of the deceased in respect of rents, profits and income received by the Plaintiff in respect of the flat and the Canal Road properties subject to deduction of outgoings incurred by the Plaintiff on behalf of the estate of the deceased relative thereto.

(e) That the Plaintiff do pay the Defendant's costs of Claim and Counterclaim.

Sd. S. H. MAYO

Registrar

In the Court of Appeal

Civil Appeal No. 48 of 1978

**(on Appeal from High Court
Action No. 1196 of 1974)**

Civil Appeal No. 48 of 1978

IN THE COURT OF APPEAL

(on Appeal from High Court Action No. 1196 of 1974)

*In the Court
of Appeal
Hong Kong*

No. 1
Notice of
Motion of
Appeal
25th May, 1978

BETWEEN :

CHEUNG SO YIN KAY

*Appellant
(Plaintiff)*

and

THE CHARTERED BANK
HONG KONG TRUSTEE LIMITED

*Respondent
(Defendant)*

10 TAKE NOTICE that the Court of Appeal will be moved, so soon as counsel for the Appellant can be heard, on the hearing of an appeal from all that part of the Judgment of the Honourable Mr. Justice Li given on the 14th April 1978 whereby he dismissed the Plaintiff's claim with costs and entered judgment with costs for the Defendant on its claim that :—

- (a) Cheung Tai Wai, the son of the late Cheung Ng Lun *alias* Cheung Wood Lun, deceased (hereinafter referred to as "the deceased") is declared to be the only beneficiary in the estate of the deceased subject to maintenance of the deceased's widow, Doreen Cheung according to Chinese law and custom.
- 20 (b) The Plaintiff do deliver up the title deeds relating to one equal undivided 280th share of the premises registered in the Land Office as the Remaining Portion of Inland Lot No. 470 and known as Flat C1, 2nd floor, Great George Building, 11 Great George Street, Causeway Bay, Hong Kong (hereinafter called "the flat") to the Defendant and that the Plaintiff has no interest therein.
- (c) The Defendant do treat the proceeds of sale of the premises registered in the Land Office as Section J of Inland Lot No. 746 and known as Nos. 6 and 7 Canal Road East, Hong Kong (hereinafter called "the Canal Road properties") as an asset of the estate of the deceased
- 30 to the exclusion of any interest therein of the Plaintiff.
- (d) The Plaintiff do account for what is due to the estate of the deceased in respect of rents, profits and income received by the Plaintiff in respect of the flat and the Canal Road properties subject to deduction of outgoings incurred by the Plaintiff on behalf of the estate of the deceased relative thereto.

*In the Court
of Appeal
Hong Kong*

No. 1
Notice of
Motion of
Appeal
25th May, 1978
(continued)

AND TAKE NOTICE that the grounds of appeal are as follows :—

1. The learned judge erred in law and in fact in holding that the evidence of the Plaintiff of her intention that as long as the deceased son was alive the said properties (subject matter of the Plaintiff's claim) was his but when he died the same should belong to her again was completely inconsistent with the Plaintiff's allegation of a resulting trust.

2. The learned judge erred in law and in fact in holding that if the deceased son should live possessed of the properties he died possessed of the properties.

3. The learned judge had failed to consider and find that if (which is denied) the said properties were given to the deceased son as a gift they were subject to the condition subsequent that if the deceased son should predecease the Plaintiff the same should revert back to her and the personal representatives of the deceased son would hold the same on a resulting trust in favour of the Plaintiff. **10**

4. Further and/or alternatively the learned judge on the evidence before him ought to have held that the Defendant was holding the said properties on a resulting trust in favour of the Plaintiff and that the presumption of advancement was rebutted by the evidence before the Court.

5. Further and/or alternatively the finding of the learned judge that the Plaintiff intended the deceased son to have the said properties as a gift was not supported by any or any sufficient evidence and/or was contrary to the weight of the evidence. And the Appellant will on this appeal ask the Court of Appeal to make the following orders :— **20**

(a) That the appeal be allowed and judgment be entered for the Appellant both on her claim and on the Respondent's counterclaim.

(b) That the Appellant do have the costs of the appeal and in the court below.

AND FURTHER TAKE NOTICE that the Appellant intends to set this appeal down in the Appeal's list. **30**

Dated the 25th day of May 1978.

(*Sd.*) GUNSTON & CHOW
Solicitors for the abovenamed Appellant

To the abovenamed Respondent and its Solicitors,
Messrs. Deacons,
Hong Kong.

Civil Appeal No. 48 of 1978

IN THE COURT OF APPEAL

(on Appeal from High Court Action No. 1196 of 1974)

*In the Court
of Appeal
Hong Kong*

No. 2
Cross Notice of
Appeal and
Respondent's
Notice
13th June, 1978

BETWEEN :

CHEUNG SO YIN KAY *Appellant
(Plaintiff)*

and

THE CHARTERED BANK *Respondent
(Defendant)*
HONG KONG TRUSTEE LIMITED

10 CROSS NOTICE OF APPEAL AND RESPONDENT'S NOTICE

TAKE NOTICE that on the hearing of the Plaintiff's Appeal the Court of Appeal will be moved by Counsel on behalf of the Defendant by way of Appeal from that part of the Judgment of the Honourable Mr. Justice Li given on 14th April 1978 whereby he dismissed the Defendant's Counterclaim for an Order that the Plaintiff do pay to the Defendant the sum of \$122,800.00 as an asset of the estate of the deceased together with interest thereon at the rate of 8% per annum from 20th March 1967 to the date of Judgment and for an Order that the Appellant (Plaintiff) do pay to the Respondent (Defendant) the costs of this Cross Appeal to be taxed.

20 AND FURTHER TAKE NOTICE that the Grounds of the Cross Appeal are : —

1. The Learned Judge should have held that a presumption of advancement arose in respect of the Savings Account at the Liu Chong Hing Bank opened by the Plaintiff in the name of the deceased.
2. That there was no or no sufficient evidence to rebut the presumption of advancement that arose with regard to the monies deposited in the savings account with the Liu Chong Hing Bank.
3. The Learned Judge should have held that the monies in the said account were intended as a gift to the deceased.
- 30** 4. That in the event that it be held that no presumption of advancement arose in respect of the monies in the said account, that there was sufficient evidence to rebut any resulting trust arising in favour of the Plaintiff.

*In the Court
of Appeal
Hong Kong*

No. 2
Cross Notice of
Appeal and
Respondent's
Notice
13th June, 1978
(continued)

5. That the Plaintiff cannot be heard to say that the purpose of opening the said account in the name of the deceased was for the purpose of having monies immediately available to the deceased in the event of the Plaintiff's prior decease, without the necessity of seeking a grant of Probate or Letters of Administration.
6. The Learned Judge should have held that the acts, declarations and statements of intention of the Plaintiff subsequent to the opening of the said account were admissible as evidence only against the Plaintiff and not in her favour.

AND FURTHER TAKE NOTICE that the Defendant intends upon the hearing of the Appeal to contend that the said Judgment whereby the Plaintiff's claim was dismissed and the Defendant's Counterclaim was allowed should be affirmed on the following grounds additional to those relied upon by the Learned Judge namely: — 10

1. That the Learned Judge should have found in terms that a presumption of advancement arose in respect of the Canal Road properties as well as in respect of Flat C-1.
2. That there was no or no sufficient evidence to rebut the presumption of advancement.
3. That the acts, declarations and statements of intention of the Plaintiff subsequent to the purchase of the Canal Road properties and of the Flat were admissible as evidence only against the Plaintiff but not in her favour. 20

DATED the 13th day of June 1978.

(Sd.)

*Solicitors for the said Respondent
(Defendant)*

To the abovenamed Appellant (Plaintiff) and her solicitors,
Messrs. Gunston & Chow,
Hong Kong.

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NOTES
NOTICE OF JUDGMENTSNo. 3
Reasons for
judgement of the
Hon. Mr. Justice
Huggins, the
Hon. Mr. Justice
Pickering and the
Hon. Mr. Justice
McMullin
26th April, 1979

10 Huggins, J.A. said that the ultimate issue in this appeal was whether the Defendant was accountable to the Plaintiff as trustee under a resulting trust. The Plaintiff was a wealthy widow who had nine children. One of those children was a son ("the Deceased"), who had been affected by mental illness. There was no evidence as to the degree of his mental incapacity, but in 1967 he took his own life. In 1959 and 1964 the Plaintiff had bought two properties, one in Paterson Street and the other in Canal Road. She bought them with her own money but in the Deceased's name and kept the title deeds. She did not account to the Deceased for the rents.

In 1965 the Plaintiff had opened a savings account in the name of the Deceased. For this purpose she herself signed the Deceased's name and used a chop which had been given to him by his brother-in-law. No one knew of this account but herself. The day after the Deceased died she withdrew all the money in that account.

20 The Deceased was born in 1934 and was married in 1966, but he and the Plaintiff continued to live in the same house after his marriage. He left a son en ventre sa mere. The Plaintiff and the daughter-in-law did not see eye to eye.

The trial judge did not deal with all the matters argued before the Court of Appeal, but he was satisfied that the Plaintiff made a gift of the landed properties to the Deceased. In the event he relied upon the presumption of advancement. Even without the presumption, however, there was strong evidence (which was believed by the judge) of an intention to make a gift at the time of purchase.

30 Where properties had been put in the name of another, the general rule was that there was a resulting trust, but where property was put by a person in loco parentis in the name of his son the presumption of advancement would take priority over a trust in the absence of an express declaration of trust: Dyer v Dyer (1788) 2 Cox 92. A person who was not the father might put himself in loco parentis: Bennet v Bennet (1879) 10 Ch. 474. Here it was said that the presumption of a resulting trust was displaced by the presumption of advancement. The question arose whether the Plaintiff was in loco parentis to her son. It did not require very strong evidence to show that a mother was in loco parentis: Re Orme (1884) 50 L.T. 51. The obligation of a mother towards her children was a moral one, whereas that of a father was a legal one. The evidence showed that the Deceased was the Plaintiff's favourite child. He was not shown to have any means of his own, though there was evidence of a salary of some kind from the family business. When the father died, he left everything to the Plaintiff and nothing to the children. The Plaintiff and the Deceased lived together, the Deceased was sick and the Plaintiff

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provided for the Deceased in every way. The Plaintiff clearly put herself in loco parentis to the Deceased. There was nothing to differentiate between her position in 1959, 1964 or 1965. The presumption of advancement therefore displaced the presumption of a resulting trust unless the presumption of advancement was itself rebutted.

In 1959 the Plaintiff in fact bought two adjacent flats in Paterson Street, the one already mentioned, which was bought in the name of the Deceased, and the second, which was bought in the name of another son. Her intention was that the Deceased should not be left on his own. She said it was her intention that if the Deceased were to predecease her the properties in his name would belong to him until his death, and he would be able to dispose of them to his son, but that after the death of the Deceased they would belong to her. That could not be: if the Deceased was able to dispose of them to his son, he could in law dispose of them to anyone else, unless there was express provision to the contrary. There was nothing to show that the Deceased took only a bare legal interest and the trial judge found that the whole interest was in the Deceased. It was not suggested in the court below that this interest was subject to defeasance. The Plaintiff's own evidence indicated her stand that the whole interest passed to the Deceased. She admitted that she was not expecting the Deceased to die first. Her object was to transfer the properties inter vivos and she intended him to be able to enjoy the properties after her death without the necessity of taking out letters of administration. As the judge said, this was inconsistent with a resulting trust. It was suggested that little weight should be attached to the answers of an elderly woman at the end of a long cross-examination, but the judge was satisfied that they indicated her true intention.

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In Shephard v Cartwright 1955 A.C. 431, 452 Lord Merton said, in deciding that there was no resulting trust:

“I cannot believe that Richard's father would select him, at the age of 16, as a trustee”

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Here the character and mental health of the donee made it unlikely that the Plaintiff would have selected him as a trustee. It was not until 1974, upon a change of solicitors, that the suggestion of a resulting trust was made. If a trust was intended, why did the Plaintiff appoint a separate trustee for the second Paterson Street flat? This was never explained. The Plaintiff's evidence, the correspondence and the estate duty affidavits sworn by the Plaintiff pointed clearly to the properties' having belonged to the Deceased's estate. Estate duty was paid on them on two separate occasions, once by the Plaintiff out of her own pocket, and she subsequently claimed reimbursement from the widow. It was abundantly clear that she knowingly proceeded on the basis that the properties belonged to the deceased personally and that in respect to them she acted only as a personal representative of the Deceased.

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The retention of the title deeds was strongly relied upon. In Warren v Gurney 1944 2 All E.R. 472 it was said that one would have expected the

donor to hand over the title deeds if a gift was intended. In the present case one would not have expected that the Plaintiff would hand over the deeds in any circumstances, as it was clear that the Deceased was suffering from mental illness. The Deceased's illness and the Plaintiff's desire to provide a home for him, and thereafter to make future provision for him, was the whole basis of the transaction. In 1959 the Deceased was mentally very sick.

*In the Court
of Appeal
Hong Kong*

No. 3
Reasons for
judgement of the
Hon. Mr. Justice
Huggins, the
Hon. Mr. Justice
Pickering and the
Hon. Mr. Justice
McMullin
26th April, 1979
(continued)

10 It was argued that the presumption of advancement was rebutted by evidence that the Plaintiff had unmistakably taken possession of the properties and had managed them (Stock v McAvoy (1872) 15 Eq. 55), but the court must have regard to all the evidence. The Plaintiff's actions were not of great weight, because she took possession to protect the interests of a sick son. The entirety of the evidence overwhelmingly indicated that the Plaintiff intended to make a gift, whilst retaining the power to manage the properties herself during the joint lives of herself and the Deceased.

20 There were the Powers of Attorney. The Plaintiff gave various explanations for their existence, but the judge did not make any finding as to the true reason. She said that that executed by the Deceased was not given because he was mentally sick, but she also said it was because of his mental health. She said: "I wanted my sons to do this in favour of me"; and "because I paid with my money". There was no clear evidence that the Deceased was at any time so ill that he would be totally incapable of managing his own affairs. The attitude of the Plaintiff seemed to be that it was not necessary to have it in writing that she was creating a trust: "all that is required is the power of attorney and that would be alright". The Powers of Attorney gave only a power to manage and were not inconsistent with either a gift or a resulting trust. The fundamental intention was to provide for the Deceased. In Grey v Grey (1677) Appendix to 2 Swan. at p. 594
30 property was managed by the father for twenty years without his accounting, and it was held not to turn what would otherwise be a gift into a resulting trust.

The cross-appeal dealt with the savings account. The trial judge held that there was no gift of the moneys by the Plaintiff to the Deceased. In his judgment he quoted a passage from Snell's Principles of Equity (27th edition) at p. 179 :

40 " Thus where a husband puts property into his wife's name, he cannot be heard to say that he did so to defeat his creditors, or to evade government restrictions or taxes, whether British or foreign, and that his wife knew this. The rules of equity cannot be used to aid inequity, and the presumptions will apply unless a proper ground for rebutting them is both pleaded and proved. "

*In the Court
of Appeal
Hong Kong*

No. 3
Reasons for
judgement of the
Hon. Mr. Justice
Huggins, the
Hon. Mr. Justice
Pickering and the
Hon. Mr. Justice
McMullin
26th April, 1979
(continued)

The judge then went on to say that, although there was every indication that the Plaintiff intended the Deceased to be able to withdraw the money from the account upon her death, her intention was not necessarily to evade estate duty.

The evidence was that the object of the opening of the bank account was similar to that of the purchasing of the landed properties, namely to make provision for the Deceased. No doubt the Plaintiff had in mind that after her death the Deceased should be entitled to the money without a grant of representation and that necessarily required that there should have been a gift of it to the Deceased. However, if there was a gift to the Deceased it was improper for her to use the chop to withdraw the money when he died first.

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The question was whether there was any more reason to find the presumption of advancement to have been rebutted in respect of the money than in respect of the land. The Plaintiff admitted to having several bank accounts which she acknowledged to be her own, but in view of her avowed object in opening the account in question that was not material. The account was opened without the knowledge of the Deceased. The Plaintiff "borrowed his name". Although she intended that upon her death he would treat the account as his own, nevertheless it does not follow that she must have intended it to be his from the start, for in truth what was intended was that he should enjoy only the balance which was in the account upon her death and not all the moneys which were at any time credited to the account. Therefore Shephard v Cartwright (supra) was distinguishable. On the other hand, Young v Sealey 1949 Ch. 278 applied, and the fact that in that case there was a joint account was immaterial. The presumption of advancement had been rebutted and there was a resulting trust in favour of the Plaintiff.

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For those reasons both the appeal and the cross-appeal should be dismissed.

Pickering, J.A. came to the same conclusion. If it was necessary to resort to the presumption, there was a presumption of advancement in respect of the land. There was no such presumption in respect of the bank account. He would dismiss both appeals.

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McMullin, J. concurred.

1978 No. 48
(Civil)

*In the Court
of Appeal
Hong Kong*

IN THE COURT OF APPEAL

(on Appeal from High Court Action No. 1196 of 1974)

No. 4
Order of the
Court of Appeal
26th April, 1979

BETWEEN :

CHEUNG SO YIN KAY

*Appellant
(Plaintiff)*

and

THE CHARTERED BANK
HONG KONG TRUSTEE LIMITED

*Respondent
(Defendant)*

10

BEFORE THE HONOURABLE MR. JUSTICE HUGGINS,
THE HONOURABLE MR. JUSTICE PICKERING AND
THE HONOURABLE MR. JUSTICE McMULLIN IN COURT

ORDER

Dated the 26th day of April, 1979

UPON MOTION by way of appeal from the judgment dated the 14th day of April, 1978 made unto this Court by Counsel for the Plaintiff and upon notice by way of cross appeal for the Defendant of his intention to contend that the judgment herein should be varied.

20 AND UPON HEARING Counsel for the Plaintiff and Counsel for the Defendant.

AND UPON READING the said judgment dated the 14th day of April, 1978 THIS COURT DOTH ORDER that the said judgment dated 14th day of April, 1978 be affirmed

AND IT IS ORDERED that the Plaintiff do pay to the Defendant its costs occasioned by the said appeal, such costs to be taxed.

AND IT IS ORDERED that the cross appeal be dismissed.

30 AND IT IS FURTHER ORDERED that the Defendant do pay to the Plaintiff her costs occasioned by the said cross appeal, such costs to be taxed.

(*Sd.*) S. H. MAYO
Registrar.

*In the Court
of Appeal
Hong Kong*

Civil Appeal No. 48 of 1978

IN THE COURT OF APPEAL

(on Appeal from High Court Action No. 1196 of 1974)

No. 5
Notice of
Motion for leave
to appeal to the
Privy Council
9th May, 1979

BETWEEN :

CHEUNG SO YIN KAY

*Appellant
(Plaintiff)*

and

THE CHARTERED BANK
HONG KONG TRUSTEE LIMITED

*Respondent
(Defendant)*

NOTICE OF MOTION

10

TAKE NOTICE that the Court of Appeal will be moved on Wednesday, the 23rd day of May 1979 at 10 o'clock or so soon thereafter as Counsel for the Appellant can be heard for an order giving leave to appeal against the decision of the Court of Appeal given herein to the Judicial Committee of the Privy Council, in so far as the Court of Appeal dismissed the appeal to them from part of the original judgment in High Court Action No. 1196 of 1974 PURSUANT to the Order in Council Regulating Appeals From The Court of Appeal For Hong Kong To Her Majesty in Council AND for appropriate directions under Rule 5 hereof.

Dated the 9th day of May, 1979.

20

(*Sd.*) CHOW & HOWELL,
Solicitors for the abovenamed Appellant

To the abovenamed Respondent and its Solicitors,
Messrs. Deacons,
Hong Kong.

Civil Appeal No. 48 of 1978

IN THE COURT OF APPEAL

(on Appeal from High Court Action No. 1196 of 1974)

*In the Court
of Appeal
Hong Kong*

No. 6
Order of the
Court of Appeal
granting
conditional
leave to appeal
to the
Privy Council
23rd May, 1979

BETWEEN :

CHEUNG SO YIN KAY

*Appellant
(Plaintiff)*

and

THE CHARTERED BANK
HONG KONG TRUSTEE LIMITED

*Respondent
(Defendant)*

10 BEFORE THE HONOURABLE MR. JUSTICE HUGGINS,
THE HONOURABLE MR. JUSTICE PICKERING AND
THE HONOURABLE MR. JUSTICE McMULLIN IN COURT

ORDER

Dated the 23rd day of May, 1979

UPON READING the Notice of Motion dated the 9th day of May, 1979 on behalf of the above-named Plaintiff for leave to appeal from the decision of the Court of Appeal given on the 26th day of April, 1979.

AND UPON READING the Affirmation of Kenneth So Hop-Shing filed herein on the 10th day of May, 1979 in support of the Notice of Motion.

20 AND UPON HEARING Counsel for the Plaintiff and Counsel for the Defendant.

IT IS ORDERED that the Plaintiff do have leave to appeal from the decision of the Court of Appeal given on the 26th day of April, 1979 to Her Majesty in Council on the following terms :—

- (1) That the Plaintiff do furnish for the due prosecution of the appeal and for the costs of the appeal security in the sum of \$30,000.00 within 1 month from the date hereof.
- (2) That the proceeds of sale of the premises known as Nos. 6 and 7 Canal Road East, Hong Kong (hereinafter called "the Canal Road properties") in the sum of \$1,300,000.00 be retained by the
30 Defendant as stakeholder.

*In the Court
of Appeal
Hong Kong*

No. 6
Order of the
Court of Appeal
granting
conditional
leave to appeal
to the
Privy Council
23rd May, 1979
(continued)

- (3) That the Record be prepared and dispatched within 3 months.
- (4) That execution on the order for possession of the premises known as Flat C-1, 2nd Floor, Great George Building, 11 Great George Street, Causeway Bay, Hong Kong (hereinafter called "the flat") be stayed on conditions that:—

The Plaintiff do render an account of rents, profits and outgoings of the flat to the Defendant for the period from 1st March, 1979 to 31st August, 1979 on or before 30th September, 1979 and thereafter 6 monthly accounts to the Defendant within 1 month of the close of each period. If the account shows a balance in favour of the Appellant, that sum is to be paid into Court within the same period of 1 month. No balance is to be carried into the first account. The accounts are to include a sum of \$600.00 per month as notional rent for the room that the Plaintiff reserves.

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- (5) That the Defendant do undertake not to deal with the flat until the disposal of the appeal or further order.
- (6) That the title deeds of the premises known as Flat C-1, 2nd Floor, Great George Building, 11 Great George Street, Causeway Bay, Hong Kong be deposited with the Defendant as stakeholder within 7 days from the date hereof.

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AND IT IS ORDERED that the costs of this motion be costs in the appeal.

(Sd.) S. H. MAYO
Registrar.

EXHIBITS

An Agreement made the 5th day of June One thousand nine hundred and fifty nine

BETWEEN FACTORIES AGENCY (H.K.) LIMITED whose registered office is situate at No. 12 Wing Kut Street 1st floor Victoria in the Colony of Hong Kong (hereinafter called "the Vendor") of one part and CHEUNG WOOD LUN (馮活倫) of No. 12 Tai Fu Street ^{First Floor} Shaukiwan in the said Colony of Hong Kong Merchant (hereinafter called "the Purchaser") of the other part

Extracts of Agreement between Factories Agency (HK) Ltd. and Cheung Wood Lun 5th June, 1959 Exhibit A (9)

WHEREAS by an Agreement dated the 24th day of July 1957 and made between N. V. A. Croucher and S. N. Chau of the one part and the Vendor of the other part the Vendor inter alia agreed to develop the piece or parcel of land known as THE REMAINING PORTION OF INLAND LOT No. 470, for the said N. V. A. Croucher and S. N. Chau who agreed to assign the said piece or parcel of land together with the buildings to be erected thereon to the Vendor on the terms as therein contained.

NOW IT IS HEREBY AGREED as follows :-

1. The Vendor shall sell and the Purchaser shall purchase All ~~That~~ Those two equal undivided 280th part or share of and in All That portion of the piece or parcel of ground registered in the Land Office as The Remaining Portion of Inland Lot No. 470 which said portion of the piece or parcel of ground is shown on the plan annexed hereto and is also shown on the block plan and thereon coloured Pink TOGETHER with the full right and privilege to hold and enjoy to the exclusion of the Vendor or other persons or person claiming under or in trust for the Vendor All That THE SECOND FLOORS - - - FLOOR of BLOCK S" C1 & C4" - - - " of and in the building to be called GREAT GEORGE BUILDING to be erected on the said premises which portion is shown and coloured Pink hatched Blue on the said plan (hereinafter called "the said Flat") which building the Vendor undertakes to complete on the conditions and in manner hereinafter mentioned TOGETHER with the right in common with the Vendor or other persons or person claiming through under or in trust for the Vendor to use for the purpose of access to and egress from the said Flat the entrance halls lifts staircases and landings in the said building and such passage therein as are not included in any other flats of the said building and the

Extracts of Agreement between Factories Agency (HK) Ltd. and Cheung Wood Lun 5th June, 1959 Exhibit A (9) (continued)

appurtenances thereto and all the right title interest property claim and demand of the Vendor therein and thereto for the residue of the term of years under which the same are held from the Crown Subject to the payment of the due proportion of the Crown Rent and the performance of the covenants and condition reserved and contained in the Crown Lease.

- 2. The purchase price shall be \$96,700.00 which shall be paid and satisfied by the Purchaser to the Vendor in manner as specified in the Schedule hereto annexed.

AS WITNESS the hands of the said parties the day and year first above written.

SIGNED by the hand of

for and on behalf of the Vendor in the presence of :-

[Handwritten signature]

Solicitor, Hong Kong.

FACTORIES AGENCY (H. K.) LTD.

[Handwritten signature] Director

SIGNED by the Purchaser in the presence of :-

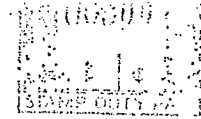
[Handwritten signature]

Solicitor, Hong Kong,

INTERPRETED by :

Clerk to Messrs. F. Zimmern & Co., Solicitors, Hong Kong.

RECEIVED on the day and year above written of and from the Purchaser the sum of DOLLARS NINETY SIX THOUSAND AND SEVEN HUNDRED ONLY being the deposit as provided in the schedule hereto annexed. \$96,700.00



Power of
Attorney
from Cheung
Wood Lun to
So Hung
11th June, 1959
Exhibit
A (10)

THIS POWER OF ATTORNEY created this *Eleventh* day of *June*
 One thousand nine hundred and fifty nine
 by me CHEUNG WOOD LUN (*張活倫*) of No.12 Tai Fu Street First Floor
 Shaukiwan in the Colony of Hong Kong Merchant (hereinafter called
 "the principal") WHEREAS I have entered into an Agreement for sale
 and purchase with Factories Agency (Hong Kong) Limited for the
 purchase from Factories Agency (Hong Kong) Limited All Those two
 equal undivided 280th parts or shares of and in the messuages erect-
 ions and buildings thereon now in the course of being erected and to
 be known as GREAT GEORGE BUILDING TOGETHER with the exclusive
 right to hold use occupy and enjoy the SECOND FLOORS OF BLOCKS "C1"
 and "C4" to be built on a portion of All That piece or parcel of
 ground situate lying and being at Victoria in the said Colony of
 Hong Kong and registered in the Land Office as THE REMAINING PORTION
OF INLAND LOT NO.470 (hereinafter called "the said property") AND
WHEREAS I am desirous of appointing SO HUNG (*蘇鴻*) of the same
 address Married Woman (hereinafter called "my Attorney") to be my
 Attorney to do execute and perform for me all acts matters and things
 hereinafter appearing that may be necessary for the purchase and
 management of the said property NOW THIS INDENTURE WITNESSETH that I
 the said Cheung Wood Lun hereby APPOINT the said So Hung my Attorney
 in my name and on my behalf to do execute and perform all or any of
 the following acts and things in relation of the said property that
 is to say :-

1. To complete the purchase and to take an Assignment of the
 said property from the Vendor and to enter into a Deed of Mutual
 Covenant in respect of the said property with the Vendor or other
 co-owners and to sign seal and deliver as my act and deed in my name
 and on my behalf all deeds and documents whatsoever which is necessary
 for the completion of the purchase of the said property and to make
 all payments relating thereto.
2. To manage the said property in such manner as my Attorney

Power of
Attorney
from Cheung
Wood Lun to
So Hung
11th June, 1959
*Exhibit
A (10)*
(continued)

shall think fit and to make any outlay in connection with the said property and the upkeep thereof or otherwise in relation to the said property or any part thereof.

3. To let rent out or lease the said property or any part thereof at any rent or for any period or periods as my Attorney in her absolute discretion shall think fit.

4. To execute all such leases and agreements for tenancy of the said property or any part or parts thereof and whether for occupation or otherwise as my Attorney may think fit and to make allowances and grant licences to tenants and to sign and serve notices to quit and to take proceedings for evicting tenants and for obtaining possession of the said property and for enforcing or obtaining damages for breach of covenants and agreements and to accept surrenders of leases and tenancies.

5. To demand sue for and receive all rents and arrears of rent now due or hereafter to become due to me by or from the tenant lessee or occupier of the said property.

6. On payment of such rent and arrears of rent as shall be due or any part thereof to give receipts and discharges for the same and also to settle pay and allow all demands for Crown Rent taxes claims on account or repairs and other lawful deduction in respect of the said property.

7. On non-payment of the said rent and arrears of rent or any part thereof to enter into and upon the said property and to make or cause to be made one or more distress or distresses of all or any goods chattels and other effects or things whatsoever being in or upon the said property or any part thereof for all such rent as was and now is and hereafter to become due and owing to me.

8. To hold and keep such distress or distresses when made or taken until payment and satisfaction be made for all such rent due to me and in arrear and all costs and charges of making such distress and in case of non-payment thereof within the time limited after such distress made by the laws for the time being in force to appraise

sell and disposes of the same according to law.

9. To warn off and prohibit and proceed against in due form of law either before or after such warning off or prohibition any person who shall at any time be found trespassing upon the said property or any part thereof.

10. To sell (either by public auction or private treaty) exchange or surrender the said property or any part thereof for such consideration as my Attorney may think fit and to give receipts for all or any part of the purchase or other consideration money and the same or any of them with like powers to mortgage charge or pledge and also to deal with the said property or any part thereof as she may think fit for the purpose of paying off reducing consolidating or making substitution for any part thereof and to make or concur in any transfer of or alteration in the terms of any existing or future mortgage charge or pledge thereon or any part thereof as she shall think fit and in general to sanction any scheme for dealing with mortgages charges or pledges of the said property or any part thereof as fully and effectually as I myself could have done or in connection with any such sale mortgage pledge or charge to employ and remunerate any valuer.

11. To commence any action or other legal proceedings in any tribunal or courts of Justice for the recovery of possession debt or sum of money right title interest property matter or thing whatsoever now due or payable or to become due or payable or in anywise belonging to the said property or conceived to be so by any means or on any account whatsoever and the same action or proceeding to prosecute or to discontinue or become non-suit therein or adjust and compromise as my Attorney or her solicitor or counsel shall see cause or be advised and in case of breach of covenant by any lease or tenant to take such proceedings by re-entry or actions as she may think fit.

12. To effect any insurance against loss or damage by fire as my Attorney may think fit and to pay the premia therefor.

13. To invest any of the moneys arising out of the said property

Power of
Attorney
from Cheung
Wood Lun to
So Hung
11th June, 1959
*Exhibit
A (10)
(continued)*

Power of
Attorney
from Cheung
Wood Lun to
So Hung
11th June, 1959

Exhibit
A (10)
(continued)

in such manner at such rate of interest and in or upon such stocks
funds shares annuities debentures debenture stocks bonds obligations
land property and other securities in my name.

14. To settle adjust or refer to arbitration or other decision any
account^t reckoning or dispute whatsoever in respect of the said
property with any person or persons whomsoever wherein or with whom
I now am or at any time or times hereafter may be interested concerned
or in difference.

15. To enter into sign seal execute perfect and as my act and deed
deliver any assignment mortgage charge or pledge Crown Lease or other
lease reassignment agreement contract instrument deed surrender or
assurance whatsoever.

16. To take up new Crown Lease in respect of the said property
when called upon by the Land Officer so to do and in connection
therewith to execute counter-part of such Crown Lease and Verandah
Undertaking and to bind me by any covenants as may be contained in
such Crown Lease and Verandah Undertaking.

17. To perform or comply with any covenants and agreement relating
to the said property and to comply with any Urban Council or other
Government requirements or notes or do any other act or take any
other step which I am bound to do or take.

18. To employ and retain Solicitor, and Counsel and to obtain
legal advice and assistance in relation to any matter to which the
powers hereby conferred may relate and to remunerate them as my
Attorney shall think fit.

19. Generally to act in relation to the said property as fully
and effectually in all respects as I myself could do if personally
present.

AND I hereby ratify and confirm and agree at all times to
ratify and confirm whatever my Attorney shall lawfully or cause to
be done in and about the property aforesaid by virtue hereof and to
indemnify and save harmless my Attorney from and against the same.

AND lastly I hereby declare that these presents shall

continue in full force and effect until notice of revocation hereof shall be actually received by my Attorney.

IN WITNESS whereof the said Cheung Wood Lun hath hereunto set his hand and seal the day and year first above written.

SIGNED SEALED and DELIVERED by the)
said Cheung Wood Lun (who having been)
previously identified by)
Ng King Cheung) in the presence of:)

張活倫



V. u. v. 7

Solicitor,
Hong Kong.

The specimen signature of the said)
So Hung is as follows :)

蘇鴻

INTERPRETED by :
Ng King Cheung
Clerk to Messrs. F. Zimmern & Co.,
Solicitors, Hong Kong.

Power of
Attorney
from Cheung
Wood Lun to
So Hung
11th June, 1959
*Exhibit
A (10)*
(continued)

Power of
Attorney
by Steven
Cheung Ng
Sheong &
another to
Cheong So
Yin Kee
10th January,
1961
Exhibit
D

KNOW ALL MEN by these presents that We, STEVEN CHEUNG

NG-SHEONG (張五常) Student and CONSTANCE YAU

(鄧淑真) Married Woman, both of 1269 S. Victoria Avenue, Los Angeles 19, California, in the United States of America and formerly of No.27 Tai Shek Street, 2nd floor, Shaukiwan, in the British Colony of Hong Kong DO HEREBY APPOINT CHEUNG SO YIN KEE (張蘇燕琦) of No.27 Tai Shek Street, 2nd floor, Shaukiwan aforesaid, Widow (hereinafter referred to as "the said Attorney") whose photograph is attached hereunto for the purpose of identification to be our true and lawful attorney in the said Colony of Hong Kong and its Dependencies to do perform transact and effectuate all the following acts deeds and things or any of them, that is to say

1. To purchase for such price and upon such terms and conditions as the said Attorney shall think fit any leasehold properties situate in the said Colony of Hong Kong and its Dependencies (hereinafter referred to as "the said properties").
2. To accept from the vendor of any leasehold property and any other parties (if any) an assignment or assurance to us and to make all payments enter for us into all covenants and do all things on our behalf which may be necessary for completing the purchase.
3. To enter upon and take possession of the said properties and to manage and demise or let the same for such rent and upon such terms and conditions as the said Attorney shall think fit to accept surrenders of to make partition of to exchange to surrender to the Crown to grant right of way or any other rights over to convey or assign by way of gift or otherwise either with or without consideration (whether as pecuniary consideration or not) or otherwise howsoever to

effect dispose of or deal with upon such terms and conditions as the said Attorney shall think fit the said properties or any other part or parts thereof or our estate and interest therein.

Power of Attorney by Steven Cheung Ng Sheong & another to Cheung So Yin Kee
10th January, 1961

Exhibit D

(continued)

4. To enter into any Deed of Mutual Grants and Covenants relating to the exclusive ownership and the right to the possession, use, occupation and enjoyment of the said parties, or any part or parts thereof or the various floors or parts of the building or buildings thereon.

5. To insure the said properties or any furniture rents and profits thereof and to receive every sum of money whatsoever which is due arising upon or by virtue of such insurances.

6. To ask for demand and receive all monies for the time being payable to us and all securities deeds and writings for the time being deliverable or transferable to us.

7. To pay all monies for the time being payable by us and to deliver or transfer all securities deeds and writings for the time being deliverable or transferable by or from us.

8. To compromise settle and adjust any claim by or against us or any difference or dispute upon such terms as to the said Attorney shall appear desirable.

9. To commence and prosecute or to compromise and determine upon such terms as to the said Attorney shall appear desirable any action suit or other proceedings that the said Attorney shall consider necessary or desirable on our behalf.

10. To appear to and defend or to compromise upon such terms as to the said Attorney shall appear desirable any action suit or other proceedings instituted against us.

11. To appeal against any judgment given in any action of proceeding.

12. To sign and give notices to tenants and occupiers

Power of
Attorney
by Steven
Cheung Ng
Sheong &
another to
Cheung So
Yin Kee
10th January,
1961

*Exhibit
D
(continued)*

of the said properties or any part or parts thereof concerning any defects in the repair or condition of the same and requiring them to make good such defects. _____

13. To sign and give lawful notices to quit to any tenant of the said properties. _____

14. To demand and recover from all present and future tenants or occupiers of the said properties or any part or parts thereof any rent or sum of money to be from time to time payable by the said tenants or occupiers for or in respect of the said properties or any part or parts thereof in any manner howsoever and on payment thereof to make and assent to all just and reasonable abatements payments and allowances for or in respect of rates and other outgoings paid or done by any such tenant or occupier for and on our behalf to which as landlords of the said properties we are or shall be subject or liable. _____

15. On non-payment of any such rent or sum to enter and distrain for the same and the distress and distresses there found to detain and keep or otherwise deal with according to law and to eject any tenant from the said properties and on receipt of any such rent or sum or of any part thereof (including all moneys realised under distress) to sign and deliver proper and effectual receipts or other discharges or acknowledgments for the same respectively.

16. In our name and on our behalf to enforce all covenants conditions and stipulations in our favour contained in any lease affecting the said properties and upon breach or non-performance or non-observance of any such covenants condition or stipulation to enter into and upon the premises in relation to which such breach non-performance or non-observance shall have happened and to take possession of the same to the intent that the lease under which the same

premises are held shall become void according to the provisions in that behalf contained in such lease. _____

17. To appear before any Magistrate or other officer in answer to any summons or other proceedings which may be issued or instituted against us and to obey all such orders as may be made by such Magistrate or officer and to carry out all such requirements or regulations of Urban Council, Building Authority and Fire Brigade or other Government Department as may be imposed and which may appear expedient to the said Attorney to conform to. _____

18. Upon receipt of any monies for the time being payable to us or any deeds and writings for the time being deliverable or transferable to us full and sufficient receipts releases and acquittances to give sign and execute which receipts releases and acquittances shall exonerate the person or persons or company or corporation paying or delivering or transferring the monies therein expressed to be received and the deeds and writings therein expressed to be delivered or transferred therefrom and from being concerned to see to the application thereof or from being liable for the loss mis-application or non-application thereof. _____

19. To carry out and perform all covenants and conditions on our part contained in any Deeds of Covenant relating to the said properties and to enforce all covenants and conditions in our favour contained in the said Deeds of Covenant. _____

20. To accept any terms and conditions which the Government may offer in connection with the grant of any Crown Lease in respect of the said properties and to take up and execute in our name any such Crown Leases and to sign any Undertaking with respect to verandahs or balconies and any memorials thereof for registration.

Power of
Attorney
by Steven
Cheung Ng
Sheong &
another to
Cheung So
Yin Kee
10th January,
1961

Exhibit
D
(continued)

Power of
Attorney
by Steven
Cheung Ng
Sheong &
another to
Cheung So
Yin Kee
10th January,
1961

Exhibit
D

(continued)

21. To employ and retain Solicitors and Counsel and to obtain legal advice and assistance in relation to any matter to which the powers hereby conferred may relate. _____

22. To concur in doing any of the acts and things hereinbefore mentioned in conjunction with any other person or persons interested in the premises. _____

23. To substitute and appoint one or more attorney or attorneys in the place of the said Attorney for all or any or either of the purposes of these presents and the same again to remove and another or others to appoint as often as the said Attorney shall think fit. _____

AND GENERALLY (so far as lawfully may be) for us and in our behalf to carry out and effectuate all or any of the purposes of these presents and to exercise all or any of the powers hereby conferred as fully and effectually to all intents and purposes whatsoever as we could do ourselves and we desire and direct that these presents shall be understood and construed in the fullest and most comprehensive sense. _____

AND for all any or either of the purposes of these presents we hereby authorise the said Attorney or her substitute or substitutes for us to sign seal and as our act and deed deliver or (as the case may require) to sign all and all manner of leases or counterparts or duplicates thereof assignments deeds of surrender or any other deeds instruments documents or writings whatsoever whether under seal or not. _____

AND we hereby agree to allow and confirm unto all any whatsoever the said Attorney or her substitute or substitutes or any or either of them shall lawfully do in the premises by virtue of these presents. _____

AND WE DECLARE that every act deed matter and thing whatsoever done and performed by the said Attorney or by her substitute or substitutes previously to her receiving notice of the revocation of these presents shall be legal binding and

conclusive notwithstanding the revocation of these presents before the doing and performing of any such act deed matter or thing.

IN WITNESS whereof we have set our hands and seals this 10th day of January One thousand nine hundred and sixty one.

Power of Attorney by Steven Cheung Ng Sheong & another to Cheung So Yin Kee 10th January, 1961

Exhibit D

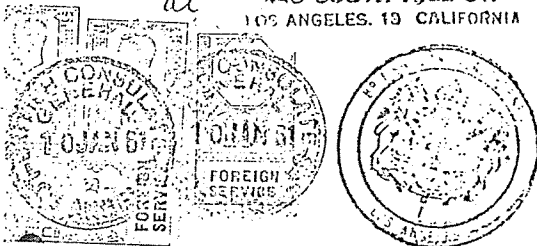
(continued)

SIGNED SEALED and DELIVERED by the said Steven Cheung and Constance Yau in the presence of:-

Steven S. Cheung
Constance Yau

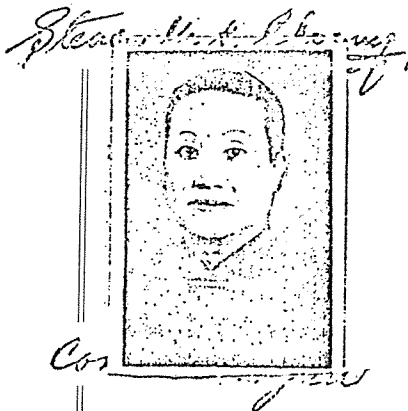
M. H. ...
British Vice Consul

at
BRITISH CONSULATE-GENERAL
448 SOUTH HILL ST.
LOS ANGELES, 13 CALIFORNIA



FOR THE CONTENTS OF THIS DOCUMENT HER BRITANNIC MAJESTY'S CONSULATE GENERAL ASSUMES NO RESPONSIBILITY.

This is the photograph of the said Cheung So Yin Kee:



Receipt for
\$1,580.00
signed by
F. Zimmern
& Co.
2nd February,
1961
Exhibit
A (14)

D N^o 5634

Hongkong, 2nd February 1961

Re Great George Bldg, C14, 2nd Fl

F. ZIMMERN & CO.
Solicitors
行 律 文 兆

Received from Cheung Wood Lun

Dollars One Thousand Five Hundred and Eighty Only

being our cost here
& disburse

\$ 975.00

6.05.00

B/n u/ 4308

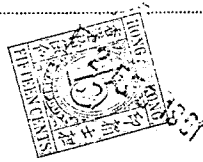
\$ 1,580.00

F. ZIMMERN & CO.

\$1,580.00

Cash

Cheque



Ramsey



Excess Duty no longer required. (Memorandum) *Learte*
Asst. Collector.

2% Ad. Val. rate Duty Paid \$282.50 C.R. No. *Learte*
Asst. Collector.

Assignment Memorial No. 340349 in respect of Flat C1, 2/F, Great George Bldg. 5th April, 1961
Exhibit C(1)

THIS INDENTURE made the *Fifth* day of *April* One thousand nine hundred and sixty one BETWEEN FACTORIES AGENCY (HONG KONG) LIMITED

whose registered office is situate at No.12 Wing Kut Street First Floor Victoria in the Colony of Hong Kong (which Company and its successors are where not inapplicable hereinafter included under the designation "the Vendor") of the one part and QUEUNG WOODLUN (丁若海) of No.27 Tai Shek Street Second floor Shaukiwan in the said Colony of Hong Kong (who and whose executors administrators and assigns are where not inapplicable hereinafter included under the designation "the Purchaser") of the other part

WHEREAS by a Crown Lease dated the 15th day of July 1895 and made between Her late Majesty Queen Victoria of the one part and China Sugar Refining Company Limited of the other part Her said Majesty demised unto the said China Sugar Refining Company Limited its successors and assigns All That piece or parcel of ground situate lying and being at Victoria aforesaid more particularly described in the now reciting Crown Lease and registered in the Land Office as Inland Lot No.470 except and reserved as was therein excepted and reserved from the 24th day of December 1865 for the term of 999 years subject to the rent and covenants therein reserved and contained AND WHEREAS All That one equal undivided two-hundred-and-eightieth part or share (inter alia) of and in All That portion hereinafter more particularly described of the said premises is now vested for the residue of the said term of 999 years in the Vendor who hath agreed with the Purchaser for the sale thereof to the Purchaser for the price of \$49,100.00 NOW THIS INDENTURE WITNESSETH that in pursuance of such agreement and in consideration of the sum of DOLLARS FORTY NINE THOUSAND AND ONE HUNDRED now paid by the Purchaser to the Vendor (the receipt whereof the Vendor doth hereby acknowledge) the Vendor DOETH hereby assign unto the Purchaser ALL THAT one equal undivided two-hundred-and-eightieth part or share of and in ALL THAT portion of the said piece or parcel of ground registered in the Land Office as THE REMAINING PORTION OF INLAND LOT NO.470 which said premises with its abutments and dimensions are more particularly delineated on the plan hereunto annexed and thereon coloured Pink and marked "Site Plan" and of and in the messuages erections and buildings thereon known at the date hereof as GREAT GEORGE BUILDING (hereinafter referred to as "the said Building") TOGETHER with the right to the sole and exclusive use possession and enjoyment of ALL THAT FLAT marked "C1" on the SECOND FLOOR of the said Building which said Flat is shown and coloured Pink hatched Red on the said plan (hereinafter referred to as "the said Flat") AND TOGETHER with free and full liberty and uninterrupted right for the Purchaser or the owners and occupiers for the time being of the premises hereby assigned and their tenants servants visitors workmen and licensees from time to time and at all times hereafter (in common with all other persons entitled to the like right) by day and by night to go pass and repass with or without vehicles or carriages over along and upon the road leading from Great George Street to the premises hereby assigned which road is partly shown and coloured Green on the said plan and thereon marked "Site Plan" AND TOGETHER ALSO with a like right and liberty

Assignment
Memorial
No. 340349
in respect
of Flat Cl,
2/F, Great
George Bldg.
5th April, 1961
*Exhibit
C (1)
(continued)*

(in common with all other persons entitled to the like right) to go pass and repass over along and upon (a) those portions of the adjoining premises registered in the Land Office as Section C of Marine Lot No.52, Subsection 2 of Section A of Marine Lot No.52, Subsection 10 of Section A of Marine Lot No.52, Section A of Subsection 1 of Section A of Inland Lot No.469, Subsection 5 of Section A of Inland Lot No.469, Section B of Subsection 1 of Section A of Inland Lot No.469 and Section C of Inland Lot No.470 which portions are respectively partly shown and coloured Yellow and Orange on the said plan and thereon respectively marked "Basement Plan" and "Ground Floor Plan" (b) the Flat Roof Garden built on the Second Floor of the said Building which said Flat Roof Garden is more particularly shown on the said plan marked "Second Floor Plan" and thereon coloured Purple hatched Red and (c) the Flat Roof Garden built partly on the Second Floor of the said Building and partly on the Second Floor of the adjoining building known as Paterson Building Blocks "C" and "D" which said Flat Roof Garden is more particularly shown on the said plan marked "Second Floor Plan" and thereon coloured Purple and Grey AND TOGETHER ALSO with a like right (in common with all other persons entitled to the like right) to use for purposes only of access to and egress from the said Flat all such parts of the said Building as afford access thereto as shown coloured-Brown and Brown hatched Red on the said plan AND TOGETHER ALSO with full and free right and liberty for the Purchaser and the owners and occupiers for the time being of the said Flat and all persons authorised in that behalf (in common with all other persons entitled to the like right) to use the passenger lifts in the said Building as shown on the said plan and thereon coloured Blue for access to the said Flat but not for carrying goods AND TOGETHER ALSO with a free and full right and liberty for the Purchaser and the owners and occupiers for the time being of the premises hereby assigned by day and by night to draw water from the wells drilled in the adjoining premises known as Paterson Buildings Blocks "A" and "B" and "C" and "D" as shown and marked "Well" on the said plan marked "Site Plan" by means of electric pumps and pipe lines or otherwise AND all other rights privileges easements and appurtenances thereto belonging or appertaining at any time used held occupied or enjoyed And all the estate right title interest property claim and demand whatsoever of the Vendor therein and thereto except and reserved as in the said Crown Lease is excepted and reserved TO HOLD the said premises hereby assigned for the residue now to come and unexpired of the said term of 999 years unto the Purchaser

SUBJECT (except as regards the said Flat) to the existing lettings and tenancies thereof (if any) and to the payment of the rent and to the performance of the several covenants by the Lessee and conditions in and by the said Crown Lease reserved and contained and to the payment and contribution of the proper share and proportion of the cost and expenses for the repair maintenance upkeep and caretaking of the said lifts and the common parts of the said Building EXCEPTING AND RESERVING unto the Vendor and the other owners for the time being of the said premises the right to the exclusive use possession and enjoyment of all other parts of the said Building save and except the except those parts thereof for common use as aforesaid said Flat/AND EXCEPTING AND RESERVING FURTHER unto the Vendor free and full right and liberty to use the roof the external walls and all other common parts of the said Building for the purpose of decorations installation of lights lanterns lamp-posts and the like or depositions of materials

apparatus and paraphernalia for the said purposes without any interruption interference or disturbance by the Purchaser AND EXCEPTING AND RESERVING FURTHER unto the Vendor and the owners and occupiers for the time being of the adjoining premises registered in the Land Office as Section C of Marine Lot No.52, Subsection 2 of Section A of Marine Lot No.52, Subsection 10 of Section A of Marine Lot No.52, Section A of Subsection 1 of Section A of Inland Lot No.469, Subsection 5 of Section A of Inland Lot No.469, Section B of Subsection 1 of Section A of Inland Lot No.469 and Section C of Inland Lot No.470 free and full right and liberty with or without vehicles or carriages to go pass and repass over along and upon those portions of the premises hereby assigned as respectively shown coloured Green and Brown hatched Red on the said plan and thereon respectively marked "Basement Plan" and "Ground Floor Plan" AND EXCEPTING AND RESERVING ALSO unto the Vendor and the owner or owners for the time being of the said adjoining premises known as Paterson Building Blocks "C" and "D" and all persons by them authorised free and full right and liberty (in common with all other persons entitled to the like right) to go pass and repass over along and upon All That portion of the Flat Roof Garden on the Second Floor of the said Building as shown on the said plan and thereon coloured Purple and marked "Second Floor Plan" AND the Vendor doth hereby covenant with the Purchaser that notwithstanding any act deed matter or thing by the Vendor done or knowingly omitted or suffered the said Crown Lease is now valid and subsisting and that the rent reserved by and the covenants by the Lessee and the conditions contained in the said Crown Lease have been paid observed and performed up to the date of these presents And that the Vendor now hath good right to assign the said premises as aforesaid free from incumbrances And that the Purchaser shall and may at all times hereafter peaceably and quietly possess and enjoy the said premises and take the rents and profits thereof without any lawful eviction interruption claim or demand whatsoever from or by the Vendor or any person or persons lawfully or equitably claiming from under or in trust for the Vendor And that the Vendor and all persons claiming under or in trust for the Vendor shall during the residue of the said term of 999 years at the request and cost of the Purchaser do all acts and execute and sign all deeds and writings reasonably required for perfecting this Assignment AND the Purchaser hereby covenants with the Vendor that the Purchaser will during the residue of the said term of 999 years pay the rent and perform the covenants and conditions in the said Crown Lease reserved and contained and indemnify the Vendor against the non-payment of the said rent or the non-performance of the said covenants and conditions or any of them AND the Purchaser hereby further covenants with the Vendor with the intent to bind all persons in whom the premises hereby assigned shall for the time being be vested but not so as to be personally liable under such covenants after the Purchaser shall have parted with possession of the premises hereby assigned the Purchaser shall not (a) use the said Flat otherwise than as a private dwelling house (b) erect affix or put up any structures or other objects whether temporary or permanent outside the said Flat or the said Building in anyway whatsoever (c) hang or expose any laundry clothes or other articles so as to be visible outside the said Flat save and except on the laundry frames allotted to the said Flat (d) commit or permit or suffer to be committed on the said Flat anything which may be or become a nuisance or annoyance to or in anyway interfere with the quiet and comfort of the Vendor or the

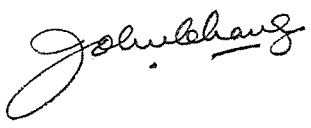
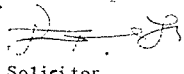
3.

Assignment
Memorial
No. 340349
in respect
of Flat C1,
2/F, Great
George Bldg.
5th April, 1961
*Exhibit
C(1)
(continued)*

Assignment
 Memorial
 No. 340349
 in respect
 of Flat C1,
 2/F, Great
 George Bldg.
 5th April, 1961
 Exhibit
 C(1)
 (continued)

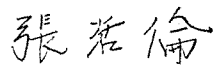
other tenants and occupiers of the flats and premises adjacent thereto or in the neighbourhood
 (e) make or create any excessive noise by playing radio gramophone wireless receiver musical
 instrument or otherwise howsoever to the annoyance of others (f) throw litter dirt rubbish rag
 refuse or any offensive or other matter whatsoever out of windows (g) display or exhibit or cause
 to be displayed or exhibited any advertisement signboard drawing or placard of any kind on or in
 any window or the external parts of the said Flat or so as to be visible from outside the said
 Flat and (h) enclose or permit or suffer to be enclosed with windows the ^{side or back} verandah or balcony of
 the said Flat IN WITNESS whereof the Vendor hath hereunto affixed its Common Seal and the
 Purchaser hereunto set his hand and seal the day and year first above written.

SEALED with the Common Seal of the Vendor)
 and SIGNED by John Cheung in)
 the presence of:)

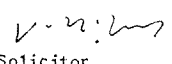



Solicitor,
 Hong Kong,

SIGNED SEALED and DELIVERED by the)
 Purchaser)

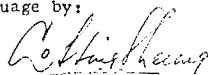


in the presence of:)

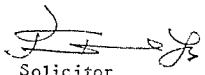


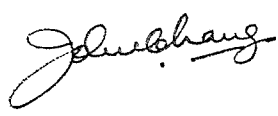
Solicitor,
 Hong Kong.

INTERPRETED to the Purchaser in the)
 Chinese language by:)


 Clerk and Interpreter to Messrs. F. Zimmern & Co.,
 Solicitors & Notaries, Hong Kong.

R E C E I V E D the day and year first above written of and from the)
 Purchaser the sum of DOLLARS FORTY NINE THOUSAND AND ONE HUNDRED)
 being the consideration money above expressed to be paid)
 by the Purchaser to the Vendor.) \$40,100.00

W I T N E S S :-

 Solicitor,
 Hong Kong.



Assignment
Memorial
No. 437132
in respect
of 6-7 Canal
Road East
15th April, 1964
Exhibit
C(4)



Excise Duty no longer
required. (Amount...)
Asst. Collector

Excise Duty Paid
C. R. No. 437132
Asst. Collector

5 MAY 1964

5 MAY 1964

THIS INDENTURE made the Fifteenth day of April One thousand
nine hundred and sixty four BETWEEN RAEON YUET WANG KAN

(簡悅宏) of No.5 Kotewall Road Victoria in the Colony of Hong Kong Gentleman (who and whose executors and administrators are where not inapplicable hereinafter included under the designation "the Vendor") of the one part and CHEUNG WOOD LUN (張五倫) alias CHEUNG NG LUN (張五倫) of Great George Building (Flat C1 of first floor) Peterson Street Victoria aforesaid Gentleman (who and whose executors administrators and assigns are where not inapplicable hereinafter included under the designation "the Purchaser") of the other part WHEREAS by a Crown Lease dated the 22nd day of April 1890 and made between Her late Majesty Queen Victoria of the one part and Catchick Paul Chater of the other part Her said late Majesty demised unto the said Catchick Paul Chater his executors administrators and assigns All That piece or parcel of ground situate lying and being at Victoria aforesaid therein more particularly described and registered at the Land Office as Inland Lot No.746 except and reserved as was therein excepted and reserved from the 25th day of June 1861 for the term of 999 years at the rent and subject to the Lessee's covenants and conditions therein reserved and contained AND WHEREAS all that portion hereinafter more particularly described of the said premises is now vested for the residue of the said term of 999 years in the Vendor who hath agreed with the Purchaser for the sale thereof to the Purchaser for the price of \$320,000.00 Hong Kong Currency NOW THIS INDENTURE WITNESSETH that in pursuance of such agreement and in consideration of THREE HUNDRED AND TWENTY THOUSAND DOLLARS Hong Kong Currency to the Vendor paid by the Purchaser on or before the execution of these presents (the receipt whereof the Vendor doth hereby acknowledge) the Vendor doth hereby assign unto the Purchaser ALL THAT portion of the said piece or parcel of ground situate lying and being at Victoria aforesaid which said portion with its abutments and dimensions is more particularly delineated and described on the Plan marked No.10 (hereinafter referred to as "the said Plan") annexed to a Deed of Partition Memorial No.117268 and thereon coloured Yellow and hatched Yellow and is registered in the Land Office as SECTION J OF INLAND LOT NO.746 Together with the messuages or tenements and other erections and buildings thereon known at the date hereof as Nos.6 & 7 Canal Road East And all rights of way and other rights and all privileges easements and appurtenances thereto belonging or appertaining or therewith at any time use held occupied or enjoyed AND particularly with a full and free liberty and uninterrupted right to pass and repass on along by and through the staircase erected in the adjoining house No.5 Canal Road East and coloured Pink on the Plan marked No.11 annexed to the said Deed of Partition for the purpose of going to any part of the said No.6 Canal Road East or from any part thereof AND with a full and free liberty and uninterrupted right to pass and repass on along by and through the staircase erected in the adjoining house No.8 Canal Road East and coloured Pink on the Plan marked No.9 annexed to the said Deed of Partition for the purpose of going to any part of the said No.7 Canal Road East or from any part thereof AND ALSO with a free and uninterrupted right of way over the scavenging lane at the rear of

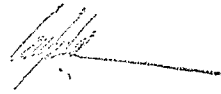
Assignment
Memorial
No. 437132
in respect
of 6-7 Canal
Road East
15th April, 1964
Exhibit
C(4)
(continued)

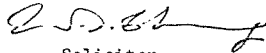
the said premises hereby assigned hatched Yellow on the Plan marked No.8 hatched Blue on the Plans marked Nos.9 and 11 hatched Pink on the Plan marked No.7 hatched Yellow on the Plan marked No.6 hatched Purple on the Plan marked No.12 hatched Pink on the Plan marked No.19 and hatched Yellow on the Plan marked No.20 all annexed to the said Deed of Partition AND all the estate right title interest property claim and demand of the Vendor in and to the said premises hereby assigned and every part thereof except and reserved as in the said Crown Lease is excepted and reserved TO HOLD the said premises hereby assigned or expressed so to be unto the Purchaser for all the residue now to come and unexpired of the said term of 999 years SUBJECT nevertheless to the existing monthly lettings and tenancies (if any) thereof and to the payment of the proportion hereinafter mentioned of the rent and the performance of the Lessee's covenants and conditions in the said Crown Lease reserved and contained so far as they relate to the said hereby assigned premises AND SUBJECT to a full and free liberty and uninterrupted right for the owners and occupiers for the time being of the said adjoining house No.5 Canal Road East and their tenants servants visitors and licensees to pass and repass on along by and through the staircase erected on the said house No.6 Canal Road East and coloured Purple on the said Plan for the purpose of going to any part of the said No.5 Canal Road East or from any part thereof AND SUBJECT also to a full and free liberty and uninterrupted right for the owners and occupiers for the time being of the said adjoining house No.8 Canal Road East and their tenants servants visitors and licensees to pass and repass on along by and through the staircase erected on the said house No.7 Canal Road East and coloured Purple on the said Plan for the purpose of going to any part of the said No.8 Canal Road East or from any part thereof AND SUBJECT also to a free and uninterrupted right of way for the owners and occupiers for the time being of the other portions of the said Lot and all persons authorized by them over the portion of the scavenging lane at the rear of the said premises hereby assigned coloured hatched Yellow on the said Plan AND the Vendor hereby covenants with the Purchaser that notwithstanding any act deed or thing by the Vendor done or executed or knowingly suffered to the contrary the said Crown Lease is now valid and subsisting and not in anywise forfeited surrendered or become void or voidable and that the rent reserved by and covenants by the Lessee and conditions contained in the said Crown Lease so far as they relate to the said hereby assigned premises ^{have} been paid observed and performed up to the date of these presents AND that the Vendor now hath good right to assign the said premises hereby assigned or expressed so to be in manner aforesaid free from incumbrances AND that all the said premises hereby assigned may be quietly entered into and during the residue of the said term of 999 years held and enjoyed without any interruption by the Vendor or any person or persons claiming through or in trust for the Vendor AND that the Vendor and all other persons lawfully or equitably claiming any estate or interest in the said premises hereby assigned or any part thereof from under or in trust for the Vendor shall and will from time to time and at all times hereafter during the residue of the said term, of 999 years at the request and cost of the Purchaser do and execute or cause to be done and executed all such acts deeds and things whatsoever for further and more perfectly assuring the said premises hereby assigned and every

Assignment
Memorial
No. 437132
in respect
of 6-7 Canal
Road East
15th April, 1964
Exhibit
C(4)
(continued)

part thereof unto the Purchaser for the unexpired residue of the said term of 999 years in manner aforesaid as shall or ~~may~~ be reasonably required AND the Purchaser hereby covenants with the Vendor that the Purchaser will at all times hereafter during the residue of the said term of 999 years pay the annual sum of \$24.45 being a proportion of the rent reserved by the said Crown Lease and observe and perform the covenants and conditions in the said Crown Lease contained so far as they relate to the said hereby assigned premises and will at all times hereafter keep indemnified the Vendor his executors and administrators and his and their estates and effects from and against the non-payment of the said proportion of the rent and the non-observance and non-performance of the said covenants and conditions and from and against all actions claims and demands whatsoever for or on account of the same or in anywise relating thereto IN WITNESS whereof the said parties to these presents have hereunto set their hands and seals the day and year first above written.

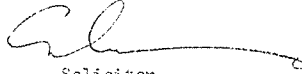
SIGNED SEALED and DELIVERED by the Vendor
in the presence of:-



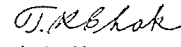

Solicitor,
Hong Kong.

SIGNED SEALED and DELIVERED by the Purchaser
in the presence of:-

Chung Wood Lun
alias
Chung Ng Lun


Solicitor,
Hong Kong.

INTERPRETED to the Purchaser by:-

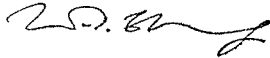

Clerk to Messrs. P. C. Woo & Co.,
Solicitors, Hong Kong.

RECEIVED the day and year first above written of and from the
above named Purchaser the sum of THREE HUNDRED AND TWENTY THOUSAND DOLLARS
Hong Kong Currency being the consideration money above expressed to be paid
by the Purchaser to the Vendor.

\$320,000.00



WITNESS :-



Power of
Attorney
from Cheung
Wood Lun to
Cheung So
Yin Kay
22nd September,
1964

Exhibit
A (21)

KNOW ALL MEN by these presents that I, CHEUNG WOOT LUN
(張浩倫) alias CHEUNG NG LUN
(張五倫) of Great George Building, First Floor, Flat
C1 Great George Street, Causeway Bay in the Colony of Hong
Kong Merchant DO HEREBY APPOINT CHEUNG SO YIN KAY (
of No. 27 Tai Shek Street, 2nd floor, Shaukiwan in the said
Colony of Hong Kong Widow (Hong Kong Identity Card No.
(whose photograph is affixed hereunder for the purpose of
identification and who is hereinafter called "the said
Attorney") to be my true and lawful attorney in the said
Colony of Hong Kong and its Dependencies for me and in my
name or in the name of my Attorney or otherwise as occasion
shall be or require from time to time and any time or times
during the continuance of these presents to perform transact
and effectuate all or any of the following acts deeds matters
and things that is to say:-

1. To insure any messuages buildings or erections or any
furniture rents and profits chattels or effects or other
personal property estate or interest and to receive every sum
of money whatsoever which is due arising upon or by virtue of
such insurances.
2. To draw sign accept indorse or negotiate any bankers',
compradore's or cashier's cheques or orders, dividend and
interest warrants and negotiable instruments (but excluding
power to give promissory notes or to accept bills of exchange).
3. To ask for demand and receive all monies for the time
being payable to me and all securities deeds and writings and
all real and personal property estate interests chattels and
effects for the time being deliverable or transferable to me.

4. To pay all monies for the time being payable by me (including the payment off of any moneys due under any mortgage or charge) and to deliver or transfer all securities deeds and writings and all real and personal property estate interests chattels and effects for the time being deliverable or transferable by or from me.

Power of Attorney from Cheung Wood Lun to Cheung So Yin Kay 22nd September, 1964

Exhibit A (21)

(continued)

5. To compromise settle and adjust any claim by or against me or any difference or dispute upon such terms as to the said Attorney shall appear desirable.

6. To refer any difference or dispute to arbitration.

7. To prove in any bankruptcy insolvency or liquidation and to represent me in the matter of any composition or trust deed or any assignment for the benefit or creditors.

8. To commence and prosecute or to compromise and determine upon such terms as to the said Attorney shall appear desirable and action suit or other proceedings that the said Attorney shall consider necessary or desirable in my behalf.

9. To appear to and defend or to compromise upon such terms as to the said Attorney shall appear desirable any action suit or other proceedings instituted against me.

10. To appeal against any judgment given in any action or proceedings.

11. To buy to sell to assign and transfer and to mortgage or hypothecate for such price or other consideration (whether a pecuniary consideration or not) or sum of money and upon such terms and conditions as the said Attorney shall think fit any debentures stocks scrip shares bonds or interests in any corporation or other public company now or hereafter to be established at any place in which these presents may be lawfully

Power of
Attorney
from Cheung
Wood Lun to
Cheung So
Yin Kay
22nd September,
1964
Exhibit
A (21)
(continued)

exercised and to vote at any meeting of any such corporation of public company.

12. To exercise or renounce for me and in my name all rights and privileges and perform all duties which now or hereafter may appertain to me as a holder of debentures shares stocks or bonds of or as otherwise interested in any company or corporation.

13. To enter upon and take possession of all the real and personal property estates interests chattels and effects now belonging or in mortgage or charge to or at any time or times hereinafter to belong or in mortgage or charge to me or in or to which I now or hereafter shall have any estate interest or claim of whatsoever nature or description and to manage and demise or let for such rent and upon such terms and conditions as the said Attorney shall think fit to accept surrenders of to mortgage (including a mortgage to secure banking facilities or overdrafts or by way of guarantee) or charge for such amount at such interest and upon such terms and conditions as the said Attorney shall think fit to sell by public auction or private contract for such price or other consideration (whether a pecuniary consideration or not) as the said Attorney shall think fit to transfer any mortgage or charge over to reassign to release any claim over to make partition of to exchange to surrender to the Crown to grant rights of way over to convey or assign by way of gift or otherwise either with or without any consideration (whether a pecuniary consideration or not) or otherwise howsoever to effect dispose of or deal with upon such terms and conditions as the said Attorney shall think fit the said real and personal property estates interests chattels and effects or any or either of them or any part or parts thereof respectively.

14. To repair and rebuild houses or other erections and

fences and walls and to drain or otherwise improve landed properties or any part or parts thereof respectively and for all or any or either of the purposes of these presents to employ architects surveyors agents servants workmen and others and to pay to every person so employed such salaries wages or other remuneration as the said Attorney shall think fit.

Power of
Attorney
from Cheung
Wood Lun to
Cheung So
Yin Kay
22nd September,
1964
*Exhibit
A (21)
(continued)*

15. To purchase or for any period to hire by way of lease or agreement for lease or otherwise by way of letting any real or personal property estate interest chattels or effects for such price or other consideration (whether a pecuniary consideration or not) or rent and upon such terms and conditions as the said Attorney shall think fit.

16. To sign and give notices to tenants and occupiers of my landed properties or any part thereof concerning any defects in the repair or condition of the same and requiring them to make good such defects.

17. To sign and give lawful notices to quit to any tenant of any landed properties.

18. To make and file any application to the Tenancy Tribunal or any other competent Court for any of my leasehold properties to be exempted from the further application of the Landlord and Tenant Ordinance (Chapter 255 of the Laws of Hong Kong) or any other ordinance of a similar nature for the time being in force and to proceed with all Tenancy Tribunal Exemption proceedings and to negotiate with any tenant or tenants for delivering up vacant possession of any leasehold properties or any part or parts thereof on such terms and conditions as the said Attorney shall think fit.

19. To demand and recover from all present and future tenants or occupiers of the said landed properties or any part thereof any rent or sum of money to be from time to time

Power of
Attorney
from Cheung
Wood Lun to
Cheung So
Yin Kay
22nd September,
1964
*Exhibit
A(21)*
(continued)

payable by the said tenants or occupiers for or in respect of the said properties or any part thereof in any manner howsoever and on payment thereof to make and assent to all just and reasonable abatements payments and allowances for or in respect of rates and other outgoings paid or done by any such tenant or occupier for and on my behalf to which as landlord of the said properties I am or shall be subject or liable.

20. On non-payment of any such rent or sum to enter and distrain for the same and the distress and distresses there found to detain and keep or otherwise deal with according to law and to eject any tenant from the said properties and on receipt of any such rent or sum or of any part thereof (including all moneys realised under distress) to sign and deliver proper and effectual receipts or other discharges or acknowledgments for the same respectively.

21. In my name and on my behalf to enforce all covenants conditions and stipulations in my favour contained in any lease affecting any of my landed properties messuages tenements and hereditaments and upon breach or non-performance or non-observance of any such covenant condition or stipulation to enter into and upon the premises in relation to which such breach non-performance or non-observance shall have happened and to take possession of the same to the intent that the lease under which the same premises are held shall become void according to the provisions in that behalf contained in such lease.

22. To appear before any Magistrate or other officer in answer to any summons or other proceedings which may be issued or instituted against me and to obey all such orders as may be made by such Magistrate or officer and to carry out all such requirements or regulations of Urban Council, Building Authority and Fire Brigade or other Government Departments as may be imposed and which may appear expedient to the said Attorney to conform to.

23. To accept any terms and conditions which the Government may offer in connection with the grant of any Crown Lease in respect of any landed **properties** and to take up and execute in my name any such Crown Lease and to sign any Undertaking with respect to Verandahs or Balconies and any memorial thereof for registration.

Power of
Attorney
from Cheung
Wood Lun to
Cheung So
Yin Kay
22nd September,
1964
*Exhibit
A (21)
(continued)*

24. To invest any money of or belonging to me in or upon mortgage or equitable deposit or charge or in or upon any bill of sale or document of hypothecation whatsoever or in or upon such other security investment mode manner or way as the said Attorney shall think fit.

25. To assign and assure to any person or persons company or corporation any legal or equitable estate or interest in any land hereditaments or premises for the time being outstanding in me and to further assure and confirm any deed act matter or thing theretofore done or hereafter to be done or expressed or intended to have been or to be done by me as the said Attorney may think necessary or desirable.

26. Upon receipt of any monies for the time being payable to me or any securities deeds writings real or personal property estate interest chattels or effects for the time being deliverable or transferable to me full and sufficient receipts releases and acquittances to give sign and execute which receipts releases and acquittances shall exonerate the person or persons or company or corporation paying or delivering or transferring the monies therein expressed to be received and the securities deeds writings real or personal property estate interest chattels or effects therein expressed to be delivered or transferred therefrom and from being concerned to see to the application thereof or from being liable for the loss mis-application or non-application thereof.

Power of
Attorney
from Cheung
Wood Lun to
Cheung So
Yin Kay
22nd September,
1964
Exhibit
A (21)
(continued)

27. To employ and retain Solicitors and Counsel and to obtain legal advice and assistance in relation to any matter to which the powers hereby conferred may relate.

28. To concur in doing any of the acts and things hereinbefore mentioned in conjunction with any other person or persons interested in the premises.

29. To substitute and appoint one or more attorney or attorneys in the place of the said Attorney for all or any or either of the purposes of these presents and the same again to remove and another or others to appoint as often as the said Attorney shall think fit.

AND GENERALLY (so far as lawfully may be) for me and in my behalf to carry out and effecutate all or any of the purposes of these presents and to exercise all or any of the powers hereby conferred as fully and effectually to all intents and purposes whatsoever as I could do myself and I desire and direct that these presents shall be understood and construed in the fullest and most comprehensive sense.

AND for all any or either of the purposes of these presents I hereby authorise the said Attorney or his substitute or substitutes for me to sign seal and as my act and deed deliver or (as the case may require) to sign all and all manner of leases or counterparts or duplicates thereof mortgages charges conveyances assignments transfers of mortgage or charge reassignments releases bills of sale (either absolute or conditional) deed of partition or exchange surrenders deeds of grant or gift or any other deeds instruments documents or writings whatsoever whether under seal or not.

AND I hereby agree to allow and confirm unto all any whatsoever the said Attorney or her substitute or substitutes or any or either of them shall lawfully do in the premises by

virtue of these presents.

AND I DECLARE that these presents shall not be revoked or revocable because of my presence at any time or times in any place in which it is lawful to exercise the powers hereby conferred nor because of my absence from time to time from and return from time to time to any such place and accordingly that these presents shall be in full force virtue and effect notwithstanding my absence from time to time from any my return from time to time to any such place.

Power of Attorney from Cheung Wood Lun to Cheung So Yin Kay 22nd September, 1964
Exhibit A (21)
(continued)

AND I DECLARE that every act deed matter and thing whatsoever done and performed by the said Attorney or by her substitute or substitutes previously to his receiving notice of the revocation of these presents shall be legal binding and conclusive notwithstanding the revocation of these presents before the doing and performing of any such act deed matter or thing.

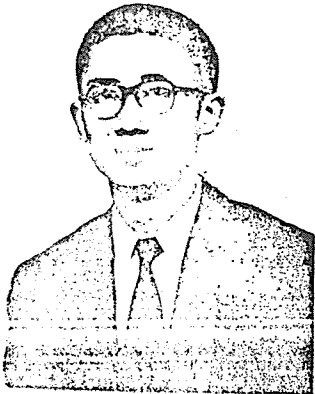
IN WITNESS whereof I have hereunder set my hand and seal this Twenty second day of September One thousand nine hundred and sixty four.

SIGNED SEALED and DELIVERED by the said CHEUNG WOOD LUN alias CHEUNG NG LUN in the presence of:-

Cheung Wood Lun
alias
Cheung Ng Lun

Cheung Wood Lun
alias
Cheung Ng Lun

Solicitor, Hong Kong.



This is the photograph of the recent likeness of the said Cheung So Yin Kay.



Receipt for
\$37,977.35
signed by
P. C. Woo &
Co.
18th November,
1964
Exhibit
4 (22)

一九六四年十一月十八日
P. C. WOO & CO. SOLICITORS
香港德輔道中

37792

Reference No. 23091TTK

Hong Kong, 18th Nov 1964

6

Re: No 6 Canal Road East (T.T.D.B. No 96 of 1964)

Received from Madame Sheung So Yin Kay for Mr. Cheung Wood Lum the sum of Dollars Thirty seven thousand nine hundred Seventy seven & cents thirty five only being Compensation awarded to the tenants herein

胡百全律師事務所收條

三萬七千九百七十七元三角五分



P. C. WOO & CO.

J. H. Wong
Accountant

BY CHEQUE CASH \$37,977.35

AFFIDAVIT FOR THE COMMISSIONER.

Estate Duty Ordinance
(Revised Edition 1950).

Extract of
Estate Duty
Affidavit by
Doreen So
Shuk Sze
24th April, 1967
Exhibit
B (2)

For use only where there is no property passing at the death other than property which devolves on the personal representative of the deceased.

The Chinese characters should be given (in addition to the romanised equivalent) in the case of all Chinese names.

(1) All aliases should be included.

In the Estate of (1) CHEUNG NG LUN (張五倫)
alias CHEUNG WOOD LUN (張活倫)
.....deceased.

(2) Insert 'I' or 'We' and name, address, and description of each person who joins in affidavit or affirmation.

(2) I, DOREEN, SO SHUK SZE (蘇淑施) of No. 25, Tai Shek Street, 3rd floor, Sai Wan Ho in the Colony of Hong Kong, Widow

make oath (do solemnly and sincerely affirm) and say as follows:—

(3) Probate, Letters of Administration, etc., as case may be. If resealing of a grant is being applied for, insert the word and add at the end of the para: the Court making the original grant and the date on which it was made.

1. I.....desire to obtain a grant of (3) Letters of Administration of the above named CHEUNG NG LUN alias CHEUNG WOOD LUN late of (4) 25, Tai Shek Street, 3rd floor, Sai Wan Ho aforesaid deceased who died on 19th March, 1967 aged 32 years at his late residence

(4) Insert address, occupation, personal description.

2. I am applying for the grant in my capacity of (5) one of the persons entitled to administration of the said estate

(5) Executor, attorney for executor, the person entitled to administration, guardian, etc.

3. The Statement 'X' hereto annexed is a true and complete statement of (i) the names, ages and relationship to the deceased of all persons surviving the deceased who, under his will, intestacy or partial intestacy, are entitled in distribution to his estate, (ii) the names and addresses of the personal representatives of all such as have since died and the dates of such deaths (iii) the names, ages, dates of deaths and the names and addresses of their personal representatives of all persons being beneficiaries under the will of the deceased who either survived the deceased and have since died or predeceased.....in such circumstances that their benefits under.....will did not lapse on their deaths.

4. The Statement 'Y' hereto annexed is a true and complete statement, as regards part 1, of all the names including 'tong' or family names in which the deceased personally owned property in this Colony and of the circumstances in which he came by and the purposes for which he used those names, and as regards part 2, of all the names including 'tong' or family names (other than those falling under part 1) by virtue of which he was entitled on the date of his death to any share or interest (whether in possession or in expectancy) in any property in the Colony; and of the name and relationship, if any, to the deceased of the person entitled (whether as owner, trustee, manager or otherwise) to use such name, and of the property held in such name and the extent of the deceased's interest therein.

tract of
ate Duty
idavit by
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h April, 1967
hibit
2)
ntinued)

5. The Account I hereto annexed, is a true and complete account of the particulars and value as at the date of the deceased's death, so far as after diligent search have been able to ascertain, of all the property of the deceased whether in possession, or reversion, within the Colony, (including property over which the deceased had and exercised by will an absolute power of appointment,) which by law devolves on the personal representative of the deceased exclusive of property held by the deceased as trustee only and not beneficially. The gross value thereof as at the date of the deceased's death was altogether \$157,299.10.....

6.—The first part of Schedule I hereto annexed contains a true and particular list of the debts due and owing from the deceased at the time of death to persons resident in the Colony or to persons resident out of the Colony but contracted to be paid in the Colony or charged on property situate within the Colony, together with the names and addresses of the several persons to whom they are respectively due and the descriptions and amounts of such debts.

The second part of Schedule I contains a true account of the funeral expenses of the deceased.

7.—The said debts are payable by law out of property comprised in Account I. They were incurred by the deceased bona fide for full consideration in money or money's worth wholly for the deceased's own use and benefit. They are not debts in respect of which there is a right to reimbursement from any other property or persons (6).

(6) If there is such right which cannot be obtained adapt to the facts.

8. The aggregate amount of such debts and expenses in the said Schedule I is \$2,000.00.....which being deducted from the value of the property specified in Account I reduces such value to \$155,299.10.

(7) If other property is known to exist, but the amount and value are not yet exactly known, a schedule of the known particulars should be annexed and sworn to, and a paragraph to suit the facts inserted here. It must contain the undertaking mentioned in Sec. 8 (3); and a statement that fullest enquiries have been made.

(8) Some examples of other kinds of property liable to estate duty will be found under 'examples of other kinds of property' on page 11.

(7)

(8) 9. To the best of.....my.....knowledge and belief there is no other property passing on the death of the deceased and liable to estate duty under and title whatsoever.

10. The Account 2 is a true and complete accounts of the particulars and value as at the date of the deceased's death of all the property held by the deceased as trustee only and not beneficially.

(9) Insert appropriate form of jurat.

All of which is true to the best of.....my.....knowledge and belief.
(9) And lastly I make oath and say that the contents of this my Affidavit are true.

SWORN at the Estate Duty Office,)
Victoria, Hong Kong, this 24th)
day of April 1967, the same)
having first been duly inter-)
preted to the Deponent in the)
Cantonese dialect of the Chinese)
language by :-)

Doan Ho Shuk Sze

Sworn Interpreter,
Before me,
[Signature]
A Commissioner &c.

Schedules to be annexed here.

— 3 —

ACCOUNT 1.

Property situate in the Colony which devolves on the personal representative of the deceased.

Extract of
Estate Duty
Affidavit by
Doreen So
Shuk Sze
24th April, 1967

Exhibit
B (2)

(continued)

Note.

(i.) In every case where there is insufficient space a separate statement should be annexed and referred to, the totals being inserted here.

(ii.) In every appropriate case, interest, dividends, rents or profits accrued to date of death must be separately inserted in the column provided.

(iii.) In every case where there is no property the word NONE must be inserted against each general or special heading concerned.

(iv.) In every case where a professional valuation has been made the valuation report should be annexed and referred to.

(v.) The instructions in the margin applicable to particular items must be complied with and in addition; any other relevant information to assist identification must be supplied.

(vi.) All property, however, trivial the value, must be included as the rate for duty may be affected.

CLASS OF PROPERTY

	General	Special	Remarks	Capital value	Interest, Dividend Rent, &c., accrued	Gross Capital value
(a) Give name and address of Bank, firm, &c.	1. CASH. (現銀)	Cash in the house				\$50.00
	(a) 2. DEPOSITS (附項).	1. In Bank (a). (銀行附項). On current account (活期). On deposit account. (定期) (a)	Current account No. 2349 with the Shauiwan Branch of Chartered Bank under the joint names of the deceased and the Deponent. 1/2			750.00.
(b) Give name and address of mortgagee, etc. and short relevant particulars.	(b) 3. MONEY OUT on MORTGAGE. (按揭)	2. In any firm, shop or business other than a bank. (各號附項)	Deposits with Paterson Service Co., Ltd., under receipt Nos. B2555, 2545, 2167 and 2201.			200.00.
	(b) 4. MONEY OUT on bonds, bills, Promissory notes. (揭單).	1. Book debts. (賬項).	Deposit with Kum Hing Investment Co., Ltd., under receipt Nos. 2504 and 2428.		and	49.10.
(c) Items 5 (i) 9, 10, 11 apply to a private business owned by deceased and may be grouped in the form of a balance-sheet, the aggregate value being entered under item 11 only.	(c) 5. DEBTS owing to deceased. (債項).	2. Other debts.				
	(c) 6. STOCKS and Shares in Colonial funds. (積存).					
		Carried forward...				\$1,049.10.

Extract of
Estate Duty
Affidavit by
Doreen So
Shuk Sze
24th April, 1967
Exhibit
B (2)
(continued)

CLASS OF PROPERTY,—Continued,

	General	Special	Remarks	Capital value	Interest, Dividend, Rent, &c. accrued	Gross Capital value
						79
		Brought forward...				\$ 1,049.10.
(d) Describe holdings fully, give nominal value and market price at date of death.	(d) 7. SHARES. (42 1/2).	1. In public companies in the Colony. 2. In private companies, firms, shops, businesses in the Colony. 3. In foreign companies deposited in the Colony at date of death and transferable in the Colony.	none none none			
	8. HOUSEHOLD GOODS. (18 1/2). Clothes. (21). Books. (12). Pictures & Curios (12). Jewels. (1). Carriages & Cars. (1).		One old wrist watch			100.00. 100.00. 50.00.
	9. STOCK IN TRADE (1).		none			
	10. GOODWILL of business (1).		A partner of Kam Wah Factory which has been dissolved			1,000.00.
	11. PROF. BOOK DEBTS of business. (1).		none			
	12. SHARES, by share in ships. (1).		none			
	13. Policies of insurance & bonuses. (1).		none			
	14. LAND AND BUILDINGS (1).		1/280th of the R.P. of I.L. No. 470 (Great George Building, Flat "C1" 2nd floor) Memorial No. 340349. S.J of I.L. No. 746 (Nos. 6 and 7, Canal Road East) Memorial No. 437132.			35,000.00. 120,000.00.
	15. Rents on the above due but unpaid. (1).					
						\$157,299.10.

CLASS OF PROPERTY --Continued.

Extract of
Estate Duty
Affidavit by
Doreen So
Shuk Sze
24th April, 1967
*Exhibit
B (2)
(continued)*

	General	Special	Remarks	Capital value	Interest, Dividend, Rent, &c., accrued	Gross Capital value
<p>(l) If Interest or power was derived under a will give name and date of death of testator; if under a deed names and addresses of trustees.</p> <p>(j) Give name and age (at date of deceased's death) of person on whom the interest depends and set out details of will or settlement creating the interest.</p> <p>(k) e.g., accrued salary; commission; amounts due from provident funds; &c., &c.</p> <p>(l) This is the total to be carried to item 1 of the Summary.</p>	<p>(i) 15. Income due or accrued on any property of which deceased was a life tenant.</p> <p>(i) 17. Deceased's interest in any property directed to be sold by settlement or by will of some other person whether actually sold or not.</p> <p>(ii) 18. Property over which deceased had and exercised by will a general power of appointment.</p> <p>(i) 19. Property over which deceased had but did not exercise by will a general power of appointment and which in default of such exercise belonged to deceased absolutely.</p> <p>(j) 16. Expectant interest.</p> <p>(k) 17. Other property not comprised under above heads passing to the personal representative.</p>	<p><i>Brought forward...</i></p> <p>Deceased's interest expectant on the death of</p>	<p>none</p> <p>none</p> <p>none</p> <p>none</p> <p>none</p> <p>none</p>			<p>\$157,299.10.</p> <p>\$157,299.10.</p> <p>2,000.00.</p> <p>\$155,299.10.</p>
<p>Gross total of Account I.....</p> <p>Less Parts 1 and 2 Schedule I.....</p> <p>(l) Net total of Account I.....</p>						<p>\$157,299.10.</p> <p>2,000.00.</p> <p>\$155,299.10.</p>

Doreen So Shuk Sze
.....
Signature of persons making affidavit.

Extract of
Estate Duty
Affidavit by
Doreen So
Shuk Sze
24th April, 1967
Exhibit
B (2)
(continued)

SCHEDULE 1.

Part I.

An account of debts due and owing from the deceased to persons resident in the Colony, or to persons resident out of the Colony but contracted to be paid in the Colony or charged on property situated in the Colony.

Give date; reason for debt; state security for debt; whether interest paid.	Name and Address of Creditor	Description of Debt	Amount	

PART II.

Account of the funeral expenses of the deceased.

Particulars	Amount	
Funeral expenses as allowed	\$2,000.	00.
Total of Part II.....	\$2,000.	00.
Total of Schedule I, Parts I & 2.....	\$2,000.	00.

.....
Doreen So Shuk Sze
 Signature of persons making the affidavit

STATEMENT 'X'

(i.) Persons entitled in distribution under the will, intestacy or partial intestacy.

Name	Age	Relationship to the deceased
DOREEN, SO SHUK SZE (蘇淑施)	25 years	his lawful widow and relict.
One posthumous child whose birth is expected in or above June or July, this year.		

Extract of
Estate Duty
Affidavit by
Doreen So
Shuk Sze
24th April, 1967
Exhibit
B (2)
(continued)

STATEMENT 'Y'

Part 1.

Names (including 'tong' or family names) in which the deceased personally held property in the Colony.

Name	How did he come by the name? (e.g. was it given to him, adopted by him, or did he succeed to it?)	For what purpose was the name used?
CHEUNG NG LUN (張五倫) alias CHEUNG WOOD LUN (張活倫)		For all purposes.

I certify that, save as appears from the above Statement, the deceased to the best of my knowledge and belief, held no property in this Colony under any family or 'tong' name: nor had.....any interest in any property in this Colony held under any family or 'tong' name or under any name whatsoever.

Signature of deponent..... *Doreen So Shuk Sze*

E.D. No.

ESTATE DUTY ORDINANCE

CHEUNG NG LUN alias
CHEUNG WOOD LUN

Estate of deceased who died on 19th March, 1967

Questionnaire about House No. Great George Building, Flat "01" 2nd floor

Lot No. 1/230th share of the Remaining Portion of Inland Lot No. 470.

This form must be completed by the person who is dealing with the Estate and returned as soon as possible to the Estate Duty Commissioner, 3rd floor, West Wing, Central Government Offices, Hong Kong.

Every question must be answered. Where the question is not applicable or the answer to it is unknown this must be stated in the space provided for the "Answer".

QUESTION	ANSWER
1. (a) What parts of the property were let or leased at the date of death? (b) In respect of each part let or leased:— (i) What rent was the tenant required to pay? (ii) What sum was the tenant required to pay as rates for the year in which death occurred? (iii) What charges for gas, water electricity, services was the tenant required to pay to the landlord?	Vacant. Not applicable. Not applicable. Not applicable.
2. What sum was payable by the landlord as rates during the year in which death occurred?	Rates about \$209.10 per quarter
3. (a) What parts of the property were neither subleased nor let? (b) To what use was each part put? (i.e. was it used for domestic purposes, storage or as a shop or factory etc?).	Not applicable. Not applicable.
4. What were the details of any notices which had been served on either the owners or occupiers of the property, relating to repairs, alterations, cost of roads etc?	Not applicable.
5. What was the state of the property if it was not fully developed at the date of death?	Re-developed.

Full Name of Person who completed the above..... DOREEN, SO SHUK SZE

Signature of Person who completed the above.....

Date..... 26th April 1967

E.D. No.

E.D. 30 (AMENDED)

Estate Duty
Questionnaires
25th April, 1967
Exhibit
A (37-3)

ESTATE DUTY ORDINANCE

CHEUNG NG LUN alias
Estate of CHEUNG WOOD LUN deceased who died on 19th March, 1967
Questionnaire about House No. 6, Canal Road East, Hong Kong.
Lot No. Section J of Inland Lot No. 746

(continued)

This form must be completed by the person who is dealing with the Estate and returned as soon as possible to the Estate Duty Commissioner, 3rd floor, West Wing, Central Government Offices, Hong Kong.

Every question must be answered. Where the question is not applicable or the answer to it is unknown this must be stated in the space provided for the "Answer".

QUESTION	ANSWER
1. (a) What parts of the property were let or leased at the date of death? (b) In respect of each part let or leased:-- (i) What rent was the tenant required to pay? (ii) What sum was the tenant required to pay as rates for the year in which death occurred? (iii) What charges for gas, water electricity, services was the tenant required to pay to the landlord?	Vacant land. Not applicable. Not applicable. Not applicable.
2. What sum was payable by the landlord as rates during the year in which death occurred?	Not applicable.
3. (a) What parts of the property were neither subleased nor let? (b) To what use was each part put? (i.e. was it used for domestic purposes, storage or as a shop or factory etc?).	Not applicable. Not applicable.
4. What were the details of any notices which had been served on either the owners or occupiers of the property, relating to repairs, alterations, cost of roads etc?	Not applicable.
5. What was the state of the property if it was not fully developed at the date of death?	Vacant land.

Full Name of Person who completed the above..... DOREEN, SO SHUK SZE.....

Signature of Person who completed the above.....

Date..... 25th April 1967.....

Estate Duty
Questionnaires
25th April, 1967

Exhibit
A (37-3)
(continued)

E.D. 30 (AMENDED)

E.D. No.

ESTATE DUTY ORDINANCE

CHEUNG NG LUN alias

Estate of CHEUNG WOOD LUN deceased who died on 19th March, 1967.

Questionnaire about House No. 7, Canal Road East, Hong Kong.

Lot No. Section J of Inland Lot No. 746

This form must be completed by the person who is dealing with the Estate and returned as soon as possible to the Estate Duty Commissioner, 3rd floor, West Wing, Central Government Offices, Hong Kong.

Every question must be answered. Where the question is not applicable or the answer to it is unknown this must be stated in the space provided for the "Answer".

QUESTION	ANSWER
1. (a) What parts of the property were let or leased at the date of death? (b) In respect of each part let or leased:— (i) What rent was the tenant required to pay? (ii) What sum was the tenant required to pay as rates for the year in which death occurred? (iii) What charges for gas, water electricity, services was the tenant required to pay to the landlord?	Ground floor - \$120.00 Domestic 1st floor - \$32.00 Domestic 2nd floor - \$32.00 Domestic 3rd floor - \$32.00 Domestic None. Tenants pay direct to the respective authorities.
2. What sum was payable by the landlord as rates during the year in which death occurred?	\$87.98 per quarter
3. (a) What parts of the property were neither subleased nor let? (b) To what use was each part put? (i.e. was it used for domestic purposes, storage or as a shop or factory etc?).	None.
4. What were the details of any notices which had been served on either the owners or occupiers of the property, relating to repairs, alterations, cost of roads etc?	None.
5. What was the state of the property if it was not fully developed at the date of death?	Pre-war premises.

Full Name of Person who completed the above..... DOREEN, SO SHUK-SZE

Signature of Person who completed the above.....

Date..... 25th April 1967

QUESTIONNAIRE

This form, with answers to the several questions herein, is to be lodged at the Estate Duty Office at the time of lodgment of the Affidavit for the Commissioner.

E.D. FILE CHEUNG NG LUN alias CHEUNG WOOD LUN DECEASED
Date of Death 19th March 1967

Exhibit
A (37-3)
(continued)

QUESTIONS	ANSWERS
<p>1. GIFTS INTER VIVOS</p> <p>(a) What gifts of money, shares or other property (give full details of each) did the deceased make, either to persons or for the purposes of charity, within 3 years of his death?</p> <p>(b) What gifts (give full details of each) did the deceased make at any time:—</p> <p>(i) reserving to himself a life or other interest therein? or</p> <p>(ii) providing for himself any benefit by contract or otherwise? or</p> <p>(iii) not to his ENTIRE exclusion?</p>	<p>Not to my knowledge.</p>
<p>2. TRANSFERS</p> <p>What shares in a private company or interest in a partnership did the deceased, at any time, transfer to another person:—</p> <p>(a) reserving to himself a life or other interest therein?</p> <p>(b) providing for himself any benefit by contract or otherwise? or</p> <p>(c) not to his entire exclusion?</p> <p>(In respect of each such transfer state:—</p> <p>(i) the name of the company or the partnership.</p> <p>(ii) the number of shares or the proportion of the deceased's interest transferred.</p> <p>(iii) the name and address of the transferee.</p> <p>(iv) the consideration for the transfer.</p> <p>(v) the relationship which the transferee bears to the deceased.)</p>	<p>Not to my knowledge.</p>
<p>3. LIFE INTERESTS</p> <p>(a) Was the deceased entitled either to:—</p> <p>(i) receive an annuity,</p> <p>(ii) an interest for life in any property, or</p> <p>(iii) an interest for other than life in any property,</p> <p>of which particulars have not been given previously in the Affidavit for the Commissioner?</p> <p>(If the answer is in the affirmative state the particulars of each annuity or interest.)</p> <p>(b) Was the deceased in receipt of an allowance for maintenance either:—</p> <p>(i) under the terms of a will?</p> <p>(ii) under an intestacy? or</p> <p>(iii) under a deed of settlement or otherwise?</p> <p>If so, please state the full name of the testator or intestate and the date of grant of representation, or if under a deed or otherwise please submit copies of the relevant documents.</p>	<p>Not to my knowledge.</p>
<p>4. INTERESTS IN EXPECTANCY</p> <p>Had the deceased any interest expectant upon the death of any person or persons under a will or settlement? If so, please furnish particulars of such interest.</p>	<p>Not to my knowledge.</p>

Estate Duty
Questionnaires
25th April, 1967

Exhibit
A (37-3)

(continued)

QUESTIONS	ANSWERS
<p>5. INTEREST IN OTHER ESTATES</p> <p>Had the deceased any interest as a beneficiary in an Estate in course of administration? If so, please give the following particulars:—</p> <p>(i) the name of the testator or intestate from whose estate the interest is derived.</p> <p>(ii) the date and place of the grant of representation in respect of the Estate.</p> <p>(iii) the name and address of the Executor(s) or Administrator(s).</p> <p>6. PROPERTY HELD JOINTLY (Whether included in the Affidavit for the Commissioner or not.)</p> <p>(1) Was the deceased:—</p> <p>(i) a joint owner of any property other than property of which he was merely a trustee?</p> <p>(ii) interested beneficially in any moneys or securities in the joint names of himself and another?</p> <p>(2) If the answer to either (i) or (ii) is in the affirmative give particulars of the property, moneys or security and state in respect each item:—</p> <p>(a) whether the deceased's share passed on his death under his will or intestacy.</p> <p>(b) whether the property, moneys or securities passed on the deceased's death to the survivor in joint ownership.</p> <p>(3) If (2) applies:—</p> <p>(i) If the property was acquired under a will or intestacy state the name of the deceased and the date of the grant of representation.</p> <p>(ii) If the property was acquired by purchase state:—</p> <p>(a) The date of purchase.</p> <p>(b) By whom and in what shares the purchase money was provided; and, if any part was provided by the deceased's wife out of her own property, the exact source from which her contribution was derived.</p> <p>(iii) If there is money on joint deposit or joint current account at a bank state the date of the opening of the account and similar particulars in (2)(b) above.</p> <p>(iv) State the names and addresses of the surviving beneficiaries and of their solicitors (if any).</p> <p>7. LAND AND BUILDINGS</p> <p>Had the deceased any interest in Land or Buildings? If so please complete E.D. Form No. 30 in duplicate in respect of each property and attach hereto.</p>	<p>Not to <i>my</i> knowledge.</p> <p>Not to <i>my</i> knowledge.</p>
<p>Yes. Please see E.D. Form No. 30 annexed hereto.</p> <p>Signatures of all the deponents to the Affidavit for the Commissioner. }</p> <p>Date <i>25th April 1967</i>, 19</p>	<p>Yes. Please see E.D. Form No. 30 annexed hereto.</p> <p>Signatures of all the deponents to the Affidavit for the Commissioner. }</p> <p>Date <i>25th April 1967</i>, 19</p>



CROWN LANDS & SURVEY OFFICE
PUBLIC WORKS DEPARTMENT
HONG KONG

Letter from
Crown Lands
& Survey
Office to
Lo and Lo
19th May, 1967
Exhibit
A (37-6)

IN REPLY PLEASE QUOTE:
L.S.O. 457/HED/63

19th May, 1967.

~~Dear Sir~~ Gentlemen,

Cheung Ng Lun - deceased

With reference to the above matter I have to inform you that I am unable to advise the Estate Duty Commissioner to accept the declared value(s) as I am of the opinion that the value(s) of the deceased interest in the following ~~properties~~/properties at the time of his death ~~was~~ were :-

- I.L. 746 s.J - 6 & 7, Canal Road East. \$285,000.00
- I.L. 470 R.P. - Great George Building,
Flat C1, 2/F. \$ 49,000.00 (1/280 share)

2. I would be grateful if you would inform me within one month whether you are prepared to accept ~~the~~/these valuation(s). If you wish to discuss the matter I should be very pleased to see you.

[Handwritten notes and scribbles]

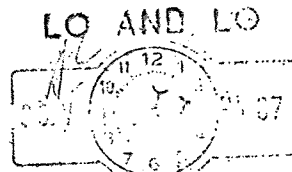
Yours faithfully,

(I.C.P. Miller)

for Supt. of Crown Lands & Survey

/cmn

Messrs. Lo & Lo,
Jardine House,
Hong Kong.



樓師 羅文錦 謹

Letter from
Lo and Lo to
Cheung So
Yin Kay
27th July, 1967
Exhibit
A (37-8)

LO AND LO

羅文錦律師樓
SOLICITORS & NOTARIES PUBLIC

Y. K. KAN B.A. 簡 悅 強
A. K. W. LUI 呂 桂 榮
K. LO 羅 德 璋
T. S. LO M.A. 羅 德 承
S. H. LEUNG B.A. 梁 肇 漢
L. S. K. KO 高 世 杰

CONSULTANT
M. W. LO C.B.E.
ASSISTANT
DELLA CHAN B.A. 陳 佩 琴

Jardine House, 7th floor,
Pedder Street,
Hongkong, 27th July, 1967.

By Post

TELEPHONE 238181-8
TELEGRAPH
"DEODAND HONGKONG"

Our Ref. DPHC:BL/120
Your Ref.

Madam Cheung So Yin Kay,
No.25, Tai Shek Street,
3rd Floor, Sai Wan Ho,
Hong Kong.

Dear Madam,

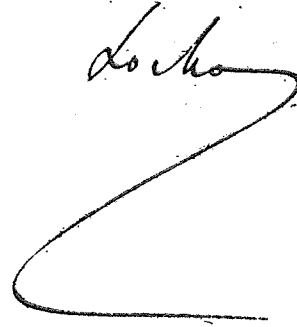
Re: Cheung Ng Lun, dec'd.

With reference to the application for Letters of Administration of the estate of the above-named deceased, we have been pressed by the Commissioner of Estate Duty to reply to their letter of the 19th May, 1967 regarding valuation of the properties concerned and to pay addition estate duty thereof.

Mrs. Doreen So Shuk Sze, the widow of the deceased has renounced her right to Letters of Administration on the 4th July, 1967 and we understand from our Mr. Lui that you are going to apply for the Letters of Administration. To avoid culmination of interest on the estate duty, we must urge you to let us have your early instructions hereon.

關於承領已故張德璋之遺產估價事宜，經備之信，但備之遺囑，已由政府於五月十九日放棄申請，故之遺產而呂律師說，所下欲申領此遺囑，得早日通知，俾得早日進行。

Yours faithfully,



By Registered Post

20th September, 67. Letter from
Lo and Lo to
Cheung So
Yin Kay
20th September,
1967
Exhibit
A (37-10)

DC : BL/120

Madam Cheung So Yin Kay,
25, Tai Shek St.,
3/F., Sai Wan Ho,
Hong Kong.

Dear Madam,

Re : Cheung Ng Lun, dec'd.

We refer to our letters of 27th July, 14th, 23rd August and 8th September, 1967 and shall be grateful if you will let us have your instructions as to the valuation of the properties.

We must urge you to let us have an early reply as the delay in time would mean accumulation of interests payable in respect of estate duty.

Yours faithfully,

(*Sd.*) LO AND LO

c.c. : Crown Lands & Survey Office.

Letter from
Lo and Lo to
Crown Lands &
Survey Office
27th September,
1967

*Exhibit
A (37-11)*

AKWL: MC
L.S.O. 457/HED/63

By Post

27th September, 1967.

The Supt. of Crown Lands & Survey,
Crown Lands & Survey Office,
Public Works Department,
Hong Kong.

Attention: Mr. I. C. P. Miller

Dear Sir,

Re: Cheung Ng Lun, deceased.

We are instructed by our client to request you to furnish us the basis of your valuation of the two properties in question as set out in your letter of the 19th May last, so that she can consider whether or not she would accept such valuation.

Yours faithfully,
(*Sd.*) LO AND LO

AKWL : MC
L.S.O. 457/HED/63

Letter from
Lo and Lo to
Crown Lands &
Survey Office
20th October,
1967
*Exhibit
A (37-12)*

By Hand

20th October, 1967.

The Supt. of Crown Lands & Survey,
Crown Lands & Survey Office,
Public Works Dept.,
Hong Kong.

Dear Sir,

Re: Cheung Ng Lun, deceased.

We have seen our client after our Mr. Lui's interview with your Mr. Miller, and are now instructed by our client as follows:—

1. Flat C 1, 2nd floor, Great George Building

Your valuation of the above premises is too high, for Flat D 1, 2nd floor of the said building was sold by public auction in March, 1967 for \$36,500 vide Land Office Memorial No. 577136. As Flat D 1 is similar to the above, our client therefore suggests that \$36,500 should be the valuation of the above premises. For your reference, we enclose herewith a photo copy of the Land Office Register of the said Flat D 1, 2nd floor.

2. Nos. 6 and 7 Canal Road West

Our client regrets that it has not been brought to your notice that there is a common staircase between house No. 6 and house No. 5, and also another common staircase between houses 7 & 8. With these two common staircases, the value of the above property is greatly affected, for in redevelopment, these 2 staircases must be retained whereby the total floor area of the new building is greatly reduced. As to No. 6, it is a vacant site because the building was condemned by the Building Authority and is subject to a Redevelopment order, and as to No. 7, the monthly rental is only \$220 inclusive of rates. These 2 sites are valueless at present, for no one would purchase these 2 sites except for redevelopment purposes, and in redevelopment, as mentioned above, the existing common staircases have to be retained, therefore the potentials are greatly reduced. Enclosed herewith is a rough calculations of the total floor area in redevelopment of the above sites; from these figures, the total floor area is 5,650 sq. ft. only.

In view of these additional factors, we shall be grateful if you will revise your valuation of the above premises.

Yours faithfully,

(*Sd.*) LO AND LO

Letter from
Lo and Lo to
Estate Duty
Office
15th November,
1967
*Exhibit
A (37-16)*

AKWL : MC
ED. 435/67

By Post

15th November, 1967.

The Deputy Commissioner,
Estate Duty Office,
Inland Revenue Dept.,
P. O. Box 132,
Hong Kong.

Dear Sir,

Re: Cheung Ng Lun, deceased.

With reference to your letter of the 9th inst., we are instructed by our client, Madam Cheung So Yin Kay, that in 1951, the said Kam Wah Factory was, without the consent of our client and the deceased who were partners of the said company, converted into a limited company, and our client and the said deceased instituted legal proceedings in O.J. Action No. 165 of 1954 against the former partners for an account of their respective shares in the partnership, and on the 24th December, 1962 judgment was delivered in favour of the deceased and our client, and account was taken and certified on the 28th November, 1963, and the amount due in the said judgment to the deceased and our client as plaintiffs was \$408,280.56.

Since then, despite repeated requests, not a cent has been paid by the Defendants, and now bankruptcy proceedings have been instituted against 3 of the defendants, namely: Wong Yau, Tam Siu Yee and Kan Chark Hunk, and in our opinion, the hope of recovering any money from the defendants or any of them is nil. In these circumstances, our client cannot furnish you with the Balance Sheets of the said factory as requested in your letter under reply.

Yours faithfully,

(*Sd.*) LO AND LO

LO AND LO

羅文錦律師樓

SOLICITORS & NOTARIES PUBLIC

Y. K. KAN C.B.E., B.A.	簡悅強
A. K. W. LUI	呂桂榮
K. LO	羅德璋
T. S. LO M.A.	羅德承
S. H. LEUNG B.A.	梁肇漢
L. S. K. KO	高世杰
CONSULTANT	
M. W. LO C.B.E.	
ASSISTANT	
DELLA CHAN B.A.	陳佩華

*Jardine House, 7th floor,
Pedder Street,*

By Post

*Hongkong, 19th April
1968.*

TELEPHONE 238181-8

TELEGRAPH
"DEODAND HONGKONG"

Our Ref. DC:BL/120

Your Ref.



Letter from
Lo and Lo to
Cheung So
Yin Kay
19th April, 1968
Exhibit
A (37-20)

Madam Cheung So Yin Kay,
c/o Miss Sabrina Cheung,
Matilda Hospital,
The Peak,
Hong Kong.

Dear Madam,

Re: Cheung Ng Lun, dec'd.

We refer to your instructions to apply for Letters of Administration of the estate of the above-named deceased and we shall be glad if you will call on our Miss Chan at your earliest convenience for filing of a Corrective Affidavit in respect of the deceased's interest in Kam Wah Factory.

Yours faithfully,

Corrective
Affidavit
by Cheung
So Yin Kay
2nd May, 1968
Exhibit
B (5)

Form No. E.D. 11.

CORRECTIVE AFFIDAVIT

Estate Duty Ordinance
(Revised Edition, 1950).

For use where the affidavit for the Commissioner or the account is to be corrected.

NOTE.—The Chinese characters should be given (in addition to any romanised equivalent) in the case of all Chinese names.

(1) All aliases should be included.

In the Estate of (1) CHEUNG NG LUN (張五倫) alias
CHEUNG WOOD LUN (張偉倫) deceased.

(2) Insert 'I' or 'We' and name, address, and description of each person who joins in affidavit or affirmation.

(2) I, CHEUNG SO YIN KAY (張蘇燕) of 25, Tai Chek
Street, 3rd floor, Sai Wan Ho in the Colony of Hong
Kong.

make oath (do solemnly and sincerely affirm) and say as follows:—

(3) Affidavit for Commissioner or Account.

1. This deceased died on 19th March, 1967
2. An (3) Affidavit for the Commissioner was delivered by DOREEN SO SHUK SZE on 24th April, 1967
3. It has now been discovered in the circumstances stated overleaf that that (3) Affidavit for the Commissioner requires correction.
4. The Statement I annexed hereto is a true and accurate statement of such necessary correction.

(4) Where allowance is claimed for debts not previously deducted the appropriate paragraph as required on an original affidavit should be inserted here; i.e., para. 6 and 7 on E.D. 1 or para. 6 and 7 or 11 and 12 of E.D. 2.

5. (4)

Corrective Affidavit by Cheung So Yin Kay 2nd May, 1968 Exhibit B (5) (continued)

6. Save as appears in and by this affidavit and the (5) Affidavit..... for the Commissioner..... which has been already delivered no property chargeable with Estate Duty passed or is deemed to have passed, so far asI..... know or believe, on the death of the deceased.

(5) Strike out to meet the facts. When corrections do not affect values strike out this paragraph.

7. It now appears that in the circumstances stated overleaf (5) too little or too much estate duty has been paid, all of which is submitted to the Commissioner of Estate Duty in order that (5) the deficient duty, with interest thereon may be accepted (or) that the overpaid duty may be returned tome..... whose receipt shall be a sufficient discharge.

All of which is true to the best of my knowledge and belief.

(6) Insert appropriate form of jurat.

(6) Sworn/affirmed at Estate Duty Office..... Hong Kong this 2nd day of May 1968 the same having been duly interpreted to the deponent or affirmant in Cantonese dialect of the Chinese language by Lee Han Kuen

張藍燕詩

Sworn Interpreter

Before me,

[Signature] A Commissioner, etc.

Corrective
Affidavit
by Cheung
So Yin Kay
2nd May, 1968
Exhibit
B (5)
(continued)

Schedules to be
added here.

STATEMENT OF CORRECTIONS.

Serial No.	Particulars of the correction to be made by reference to the original affidavit or account.	VALUE.		Increase \$	Decrease. \$
		As in original affidavit. \$	As now corrected. \$		
	Deceased's interest in Kam Wah Factory - Nil	\$155,299.10	\$154,299.10		\$1,000.00

[Handwritten signature]

.....
Signature of person making the affidavit.

If communications are to be sent to the Solicitor, the executor should sign here.

[Handwritten signature]

STATEMENT OF THE CIRCUMSTANCES NECESSITATING
THE SEVERAL CORRECTIONS.

Corrective
Affidavit
by Cheung
So Yin Kay
2nd May, 1968

Exhibit
B (5)
(continued)

Reference Number to the Statement overleaf.	<p>Where any claim to refund is made <i>full particulars</i> relied on and any particulars which the Commissioner may be likely to need to enable him to decide on the claim should be set out.</p> <p>Where any additions to the original affidavit are made the same particulars as required in the original should be given.</p>

張蘇燕琦

Signature of person making the affidavit.

Name of Solicitor (if any) *Lo e Lo, Jardine House 7th floor*

If communications are to be sent to the Solicitor, the executor should sign here.

張蘇燕琦

Letter from
Lo and Lo to
Cheung So
Yin Kay
23rd October,
1968

By Post

23rd October, 1968.

DC : BL/120

Exhibit
A (37-25)

Madam Cheung So Yin Kay.
25-27 Sai Wan Ho,
Tai Shek Street,
3rd floor,
Hong Kong.

Dear Madam,

Re: Estate of Cheung Ng Lun, deceased.

We refer to our previous communications with you when we informed you that, excluding the deceased's interest in Kam Wah Factory value whereof is still being investigated by the Estate Duty Office, estate duty and interest in respect of the above estate up to the 2nd November, 1976 is \$19,301.70. As this sum has still not been paid by you, interest at 8% is charged by the Estate Duty Office up to the date of payment. We would therefore urge you to pay the agreed estate duty as soon as possible to avoid incurrance of further interest.

We shall therefore be glad if you will let us have the sum of \$20,000.00 for payment of estate duty so far agreed.

Yours faithfully,

(*Sd.*) LO AND LO

January, 14, 1969. Letter from
Lo and Lo to
Cheung So
Yin Kay
DC : ML / 120 14th January,
1969
Exhibit
A (37-27)

Madam Cheung So Yin Kay,
25-27, Sai Wan Ho,
Tai Shek Street, 3rd Floor,
Hong Kong.

Dear Madam,

Re : Cheung Ng Lun, deceased.

Enclosed please find Proposed Notice of Revised Assessment and Refund of Salaries Tax, which is self-explanatory.

In view of the above, we would advise that a Corrective Affidavit has to be filed in respect of this refund and we shall be glad if you will attend our office to sign the same.

Yours faithfully,

(*Sd.*) LO AND LO

Encl.

Corrective Affidavit by Cheung So Yin Kay 6th February, 1969 Exhibit B (6)

Form No. E.D. 11.

CORRECTIVE AFFIDAVIT

Estate Duty Ordinance (Revised Edition, 1950).

For use where the affidavit for the Commissioner or the account is to be corrected.

NOTE.—The Chinese characters should be given (in addition to any romanised equivalent) in the case of all Chinese names.

(1) All aliases should be included.

In the Estate of (1) CHEUNG NG LUN (張五倫) alias CHEUNG WOOD LUN (張活倫) deceased.

(2) Insert 'I' or 'We' and name, address, and description of each person who joins in affidavit or affirmation.

(2) I, CHEUNG SO YIN KAY (張蘇燕詩) of 25, Tai Shek Street, 3rd floor, Sai Wan Ho in the Colony of Hong Kong,

make oath (do solemnly and sincerely affirm) and say as follows:—

(3) Affidavit for Commissioner or Account.

1. This deceased died on 19th March, 1967
2. An (3) Affidavit for the Commissioner was delivered by DOREEN SO SHUK SZE on 24th April, 1967

3. It has now been discovered in the circumstances stated overleaf that that (3) Affidavit for the Commissioner requires correction.

4. The Statement I annexed hereto is a true and accurate statement of such necessary correction.

(4) Where allowance is claimed for debts not previously deducted the appropriate paragraph as required on an original affidavit should be inserted here, i.e., para. 6 and 7 on E.D. 1 or para. 6 and 7 or 11 and 12 of E.D. 2.

5. (4) ...

Corrective Affidavit by Cheung So Yin Kay 6th February, 1969 Exhibit B (6) (continued)

6. Save as appears in and by this affidavit and the (3)..... Affidavit for the Commissioner..... which has been already delivered no property chargeable with Estate Duty passed or is deemed to have passed, so far asI..... know or believe, on the death of the deceased.

(5) Strike out to meet the facts. When corrections do not affect values strike out this paragraph.

7. It now appears that in the circumstances stated overleaf (5) too little or too much estate duty has been paid, all of which is submitted to the Commissioner of Estate Duty in order that (5) the deficient duty, with interest thereon may be accepted (or) that the overpaid duty may be returned to whose receipt shall be a sufficient discharge.

All of which is true to the best of my knowledge and belief.

(6) Insert appropriate form of jurat.

Sworn/affirmed at Estate Duty Office,..... Victoria..... Hong Kong this 6th day of February 1969 195, the same having been duly interpreted to the deponent or affirmant in Cantonese..... dialect of the Chinese..... language by

Handwritten notes in Chinese characters.

Signature of Sworn Interpreter

Before me, Signature of A. Commissioner, etc.

Corrective
Affidavit
by Cheung
So Yin Kay
6th February,
1969

Exhibit
B(6)
(continued)

Schedules to be
annexed here.

STATEMENT OF CORRECTIONS.

Serial No.	Particulars of the correction to be made by reference to the original affidavit or account.	VALUE.		Increase	Decrease.
		As in original affidavit.	As now corrected.		
		\$	\$	\$	\$
	Refund of Salary Tax from Hong Kong Government for the period from 8th October 1966 to 13th March, 1967, Balance repayable to the deceased - \$152.00	-----	-----	\$152.00	

張蘇英琦

Signature of person making the affidavit.

Name of Solicitor (if any) Lo and Lo, Jardine House, 7th floor, Hong Kong.

If communications are to be sent to the Solicitor, the executor should sign here.

STATEMENT OF THE CIRCUMSTANCES NECESSITATING
THE SEVERAL CORRECTIONS.

Corrective
Affidavit
by Cheung
So Yin Kay
6th February,
1969

*Exhibit
B (6)
(continued)*

Reference Number to the Statement overleaf.	Where any claim to refund is made <i>full particulars</i> relied on and any particulars which the Commissioner may be likely to need to enable him to decide on the claim should be set out. Where any additions to the original affidavit are made the same particulars as required in the original should be given.

[Handwritten signature]

.....
Signature of person making the affidavit.

Name of Solicitor (if any) *Lo and Lo, Jardine House, 7th floor, Hong Kong.*
If communications are to be sent to the Solicitor, the executor should sign here.

Certified
translation
of receipt of
Lo and Lo in
favour of
Cheung So
Yin Kay for
\$19,301.70
27th February,
1969

*Exhibit
A (52)*

Cheque stub:

Ch. No. CB69425

1969. Feb. 27

To

For

Old Balance

Deposited

Total

This check

Balance

Note scribbled on in Chinese:

Estate

\$19,301.70 only

By Post

May 31, 1969. Letter from
Lo and Lo to
Cheung So
Yin Kay
DC: WHS: 120 31st May, 1969
Exhibit
A (37-36)

Madam Cheung So Yin Kay
25 Tai Shek Street
3rd floor
Sai Wan Ho
Hong Kong

Dear Madam,

Re: Cheung Ng Lun, deceased.

We enclose herewith copy letter from the Estate Duty Commissioner for your attention and shall be glad if you will let us have your instructions on matters concerning valuation of the deceased's landed properties.

Your immediate attention hereto will be greatly appreciated.

Yours faithfully,
(*Sd.*) LO AND LO

Encl. EDC 4/17/69

Letter from
Lo and Lo to
Land Office
11th July, 1969
Exhibit
A (37-41)

By Hand

11th July, 1969.

DC:BL/120
L.O. 259/351/64

The Land Officer,
Land Office,
Central Government Offices,
(West Wing) 11th floor,
Hong Kong.

Dear, Sir,

Re: Estate of Cheung Wood Lun
alias Cheung Ng Lun, dec'd.
(I.L. No. 746 s.J. — 6, Canal
Road, East, Hong Kong)

Your letter dated the 27th June, 1969 addressed to our client, Madam Cheung So Yin Kay, has been passed to us for attention.

Cheung Wood Lun *alias* Cheung Ng Lun, the owner of the above premises died on the 19th March, 1967 and our client has instructed us to apply for Letters of Administration in respect of his estate. Application is held out pending valuation of estate by the Estate Duty Commissioner.

You will appreciate it that before our client has obtained the Letters of Administration, she is not in a position to complete the docket referred to in your said letter and indeed is not in a position to re-develop the property.

In view of the above, we shall be grateful if you will hold this matter up pending granting of Letters of Administration.

We shall be glad to hear from you.

Yours faithfully,
(Sd.) LO AND LO

IN REPLY PLEASE QUOTE:

L.S.O. 457/HED/63(HV)(27)
Your ref. DC:BL/120



CROWN LANDS & SURVEY OFFICE
PUBLIC WORKS DEPARTMENT
HONG KONG

16th July, 1969

Letter from
Crown Lands
& Survey
Office to
Lo and Lo
16th July, 1969
*Exhibit
A (37-42)*

Messrs. Lo and Lo,
Jardine House,
7th floor,
Pedder Street,
HONG KONG.

Gentlemen,

Cheung Ng Lun - deceased

Thank you for your letter of the 9th June.

I am prepared to agree to the values of the
two properties in their Estate being agreed as under.

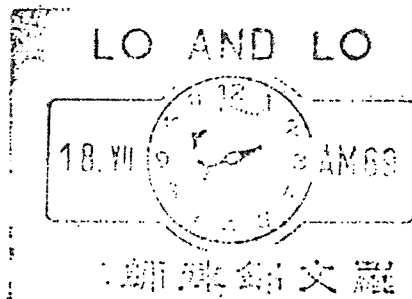
Great George Bldg., Flat C1 2/F \$49,000
6 & 7 Canal Rd. East. \$250,000

I would be pleased to hear that your clients
agree to these valuations.

Yours faithfully,

(I.C.P. Miller)
for Supt. of Crown Lands & Survey

ICPM/mw



*27/7/69
client agrees.*

Certificate of
Receipt of
Estate Duty
2nd September,
1969

Exhibit
A (37-52)

I.R.-E.D. 8 4110166
5,000-5/67-B57112

No. ED.435/67.....

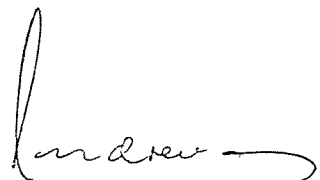
CERTIFICATE OF RECEIPT OF ESTATE DUTY

Estate Duty Ordinance
(Cap. 111 of the Revised Edition, 1950)

In the estate of ..CHEUNG NG LUN(張五倫)
alias CHEUNG WOOD LUN(張活倫)
.....
..... deceased.

I certify that I have received the sum of \$..16,350.35.... for duty and interest in respect of the above estate. The duty was charged at the rate of5.....% on a total value of \$298,500.00....

In view of the foregoing I offer no objection to the issue of the Grant and I annex a Schedule shewing details of the estate for attachment thereto.


Signed (Andrew NG Kwok-cheung)
Deputy Estate Duty Commissioner.

Dated 2nd September 1969

THE ESTATE DUTY OFFICE,
Club Lusitano Building, 3rd Floor, 7th fl.,
Ice House Street,
Hong Kong.
/ap

By Post

10th October, 1969. Letter from
Lo and Lo to
Cheung So
Yin Kay
10th October,
1969
Exhibit
A (37-54)

DC:BL/120

Madam Cheung So In-kay,
Nos. 25-27, Tai Shek Street,
3rd floor,
Hong Kong.

Dear Madam,

Re : Cheung Ng Lun, deceased.

We thank you for your letter of the 8th October, 1969.

You will recall that we have already advised you on several occasions when you called at our office that as there is minor interest existing under the intestacy, the law requires two Administrators. Although you are entitled to apply for Letters of Administration as the widow of the deceased has renounced her right to apply, a co-administrator is still required to apply with you. Under the laws of Hong Kong, only the surviving spouse of the deceased and the guardian of the child has a right to nominate a co-administrator, otherwise an order has to be obtained from the Court to appoint a co-administrator. We have advised you of the above facts and that there are two alternatives for you to take — either request Mrs. Doreen So Shuk Sze to nominate a co-administrator to apply with you jointly or for you to apply to Court to appoint a co-administrator to apply with you. We have also asked you for the name and address of the person whom you wish to apply as co-administrator with you, which you have not done so.

In addition, we have advised that it is necessary to prove the death of the father of the deceased and you have informed us that you will supply us with a certified copy of the death certificate. To date we have not received such a certificate from you.

Unless we have instructions from you on the above, we are not able to proceed any further in this matter. We shall therefore be glad if you will let us know the following:—

1. The name and address of the person whom you wish to act as your co-administrator.

Letter from
Lo and Lo to
Cheung So
Yin Kay
10th October,
1969

*Exhibit
A (37-54)
(continued)*

2. Do you wish us to write to Mrs. Doreen So Shuk Sze on your behalf requesting her to appoint a co-administrator to act with you or do you wish to apply to Court for an order of appointment of co-administrator?
3. Do you wish us to apply for a certified copy of death certificate of the late Cheung Man Loi, the father of the deceased. If so, please let us have the date and place of death of the said Cheung Man Loi, deceased.

With regard to the deposits with the Office of Waterworks disclosed in your letter under reply, we would advise that a Corrective Affidavit has to be filed with the Estate Duty Commissioner and would appreciate your letting us know the time convenient for you to attend at our office to sign the Corrective Affidavit.

We await your instructions.

Yours faithfully,

(Sd.) LO AND LO

By Registered Post

4th March, 1970. Letter from
Lo and Lo to
Cheung So
Yin Kay
4th March, 1970
DC:BL/120
Exhibit
A (37-62)

Madam Cheung So In-Kay,
25-27 Tai Shek Street,
Third Floor,
Hong Kong.

Dear Madam,

Re: Cheung Ng Lun, deceased.

We would refer you to our verbal advice given on numerous occasions and to our written letters in particular the ones dated 10th October and 27th December, 1969 on the requirement of a co-administrator for application for Grant of Letters of Administration to the estate of the above-named deceased. We also advised that as the deceased died intestate, sureties will have to be furnished to write a bond for an amount double the value of the estate i.e. \$600,902.20. Unless we have instructions relating to the co-administrator and sureties to be submitted for the Administration Bond, we are unable to proceed. To-date we have not received any instructions from you.

We further send you herewith copy letter from the Land Office pressing for information relating to the obtaining of the Grant. You will note that we are not able to give the Crown the assurance that you are making every effort to expedite the Grant as the delay in applying for the Grant is entirely due to lack of instructions.

We therefore must ask you to let us have your instructions without further delay as otherwise we are not able to act for you any further.

Yours faithfully,

(*Sd.*) LO AND LO

Encl.

Letter from
Cheung So
Yin Kay to
Lo and Lo
6th March, 1970
Exhibit
A (37-63)

Madam Cheung So Shi,
No. 25, Tai Shek Street,
3rd floor,
Saiwanho,
Hong Kong.

Date: 6th March, 1970.

Messrs. Lo & Lo,
Solicitors & Notaries,
Jardine House,
7th floor,
Pedder Street,
Hong Kong.

Gentlemen,

Re : Cheung Ng Lun, deceased.

I thank you for your letter Ref. D.C.:BL/120 dated 4th March, 1970 and wish to inform you that I regret to advise you that I cannot obtain any person to furnish you a bond for an amount double to the value of the estate, i.e. \$600,902.20. I have also requested my son & my daughter to act as one of the co-administrators but regretted that they all object to such proposal.

2. However, I understood from Mr. Lui Kwai Wing of your good Office that it is not required to complete the procedures as stated in (1) above, provided I will pay the necessary estate duty as he had obtain from the widow of the above-named deceased, Mrs. Cheung So Shuk Sze, a letter renounced her right to the estate.

3. I shall be grateful if you will re-consider the case and advise me of the position. You are also requested to furnish me with a photostat copy of the letter given by the aforesaid Mrs. Cheung So Shuk Sze regarding the renouncing of her right to the estate and the official receipt given by the Govt. in respect of the payment of estate duty.

Yours faithfully,

(*Sd.*) 張 蘇 氏
(CHEUNG SO SHI)

By Registered Post

11th March, 1970. Letter from
Lo and Lo to
Cheung So
Yin Kay
DC: BL/120 11th March,
1970
Exhibit
A (37-65)

Madam Cheung So Shi,
No. 25, Tai Shek Street,
3/F., Saiwanho,
Hong Kong.

Dear Madam,

Re: Cheung Ng Lun, deceased.

We thank you for your letter dated 6th March, 1970 and regret to learn that you have not yet been able to find any co-administrator or sureties for the Administration Bond required.

We would like to make clear once and for all that, as we have all along advised, it is laid down by law that where there is minority interest under an intestacy two administrators are required and that a bond in the amount of double the value of the estate has to be given by two sureties to the Court before Letters of Administration would be granted by the Court. Our Mr. Lui has never at any time advised you to the contrary. The letter of renunciation by Mrs. Cheung So Shuk Sze enables you to apply as one of the Administrators as otherwise Mrs. Cheung So Shuk Sze would be the first person entitled to apply and not you but the renunciation does not affect or exempt the requirement of a co-administrator.

As requested, we send you herewith copy Renunciation by Mrs. Cheung So Shuk Sze and copy official receipt of payment of estate duty. Please acknowledge receipt.

We would reiterate that unless we have instructions pertaining to the co-administrator and Administration Bond required we shall not be able to act for you any further.

Yours faithfully,

(*Sd.*) LO AND LO

Encls.

Letter from
Lo and Lo to
Land Office
12th March,
1970
*Exhibit
A (37-66)*

By Hand

12th March, 1970.

DC: BL/120
L.O. 259/351/64

Registrar General,
The Land Officer,
Central Government Offices,
(West Wing) 11th floor,
Hong Kong.

Dear Sir,

Re: Cheung Wood Lun, deceased.

We thank you for your letter of the 11th March, 1970.

As we are still waiting for our client's instructions relating to the nomination of the co-administrator and sureties to be submitted for the Administration Bond, we are unable to reply to your letter. We understand that our client's lack of instructions is due to difficulties in finding co-administrator and sureties for the Administration Bond and in view of this we shall be glad if you will continue to grant extension of time to our client. In the meantime, we are again pressing our client for instructions and shall inform you once we hear from her.

Yours faithfully,

(*Sd.*) LO AND LO

c.c.: Madam Cheung So Shi

Registered.

Madam Cheung So Shi *alias*
Cheung So Yin-kay,
Nos. 25-27, Tai Shek Street,
3rd floor,
Saiwanho,
Shaukiwan,
Hong Kong.

Letter from
Cheung So
Yin Kay to
Lo and Lo
15th March,
1970
Exhibit
A (37-67)

Date: 15th March, 1970.

Messrs. Lo & Lo,
Solicitors & Notaries,
Jardine House,
7th floor,
Pedder Street,
Hong Kong.

Gentlemen,

Re: Cheung Wood Lun, deceased.

I thank you for your letter ref. Dc/BL-120 dated 11th March, 1970, the contents of which have been noted.

2. However, I would like to know is there any time limit for any person who signed as surety for the above case to sell his and or her properties and that whether I am entitled to be one of the sureties. Furthermore, I also wish to know if I have complied with the requirement and obtain the Letters of Administration, whether or not the properties of the above-named deceased could be sold by the co-administrators.

Yours faithfully,

(*Sd.*) 張 蘇 氏
(CHEUNG SO SHI)

Letter from
Lo and Lo to
Cheung So
Yin Kay
17th March,
1970

By Post

March 17, 1970.

DC:WHS:120

*Exhibit
A (37-68)*

Madam Cheung So Shi
25-27 Tai Shek Street
Third Floor
Saiwanho, Shaukiwan
Hong Kong.

Dear Madam,

Re: Cheung Wood Lun, deceased.

We thank you for your letter of March 15, 1970.

We are not quite sure what you mean by "is there any time limit for any person who signed as surety for the above case to sell his and or her properties . . .". As we have formerly advised, the sureties are not required to pledge or mortgage their properties to the Court. They only have to prove that they together hold properties amounting to double the value of the estate. After the sureties have executed the Administration Bond, then they are acting as guarantors of the Administrators i.e. if the Administrators fail to administer the estate according to law, the beneficiaries can claim against the sureties in addition to their right of claim against the Administrators. As you are going to apply as one of the Administrators, you cannot act as one of the sureties as a person cannot guarantee himself or herself.

After the Grant has been obtained, the estate can only be administered by both Administrators together i.e. properties of the estate cannot be disposed of by either one of the Administrators alone but must be by both and then only if it is in the course of administration of the estate and not for their own use or benefit.

We trust that we have now made the position clear to you.

Yours faithfully,

(*Sd.*) LO AND LO

IN THE SUPREME COURT OF HONG KONG
PROBATE JURISDICTION

Affirmation by
Administratrices
Cheung So
Yin Kay and
Cheung Shau
Ling
27th April, 1972
Exhibit
A (37-71)

In the Estate of CHEUNG NG LUN (張
五倫) alias CHEUNG WOOD LUN (張
厝倫) late of No.25 Tai Shek
Street, 3rd Floor, Sai Wan Ho in
the Colony of Hong Kong, Merchant,
deceased.

We, CHEUNG SO YIN KAY (張蘇燕琦) of No.25 Tai Shek Street,
3rd Floor, Sai Wan Ho in the said Colony of Hong Kong, Widow and
CHEUNG SHAU LING (張秀玲) of 50 Paterson Street, Towning Mansion,
8th Floor, Flat B in the said Colony of Hong Kong, Married Woman, do
hereby solemnly sincerely and truly affirm and say as follows:

1. The abovenamed and described deceased died on arrival to Queen
Mary Hospital in the said Colony of Hong Kong on the 19th day of March
1967 intestate, leaving him surviving the following persons as being
his only next of kin:

CHEUNG SO YIN KAY (張蘇燕琦) his ^{natural and} lawful mother now
aged 28 years,

CHEUNG CHAU (張州) his natural and lawful brother now
aged 56 years,

CHEUNG SHAU YING (張秀英) his natural and lawful sister
^{married}
now aged and aged 53 years,

CHEUNG SHAU MUI (張秀梅) his natural and lawful sister
now married and aged 52 years,

CHEUNG SHAU LAN (張秀蘭) his natural and lawful sister
now married and aged 50 years,

CHEUNG SHAU TAO (張秀桃) his natural and lawful sister

1.

Affirmation by
Administratrices
Cheung So
Yin Kay and
Cheung Shau
Ling
27th April, 1972
Exhibit
A (37-71)
(continued)

now married and aged 43 years,
CHEUNG SHAU LING (張秀玲) his natural and lawful sister
now married and aged 41 years,
CHEUNG NG SHEUNG (張五帝) his natural and lawful brother
now aged 40 years,
CHEUNG SHAU FONG (張秀芳) his natural and lawful sister
now married and aged 33 years,
DOREEN SO SHUK SZE (蘇淑施) his lawful widow and relict
now aged 33 years and
CHEUNG TAI WAI (張大偉) his natural and lawful son now
aged 8 years.

The deceased was domiciled in Hong Kong.

2. The true name of the said deceased was CHEUNG NG LUN.
3. The Death Certificate of the said deceased was under the name of CHEUNG NG LUN.
4. The said deceased held his immovable properties under the name of CHEUNG WOOD LUN.
5. The said deceased held all his movable properties under the name of CHEUNG NG LUN.
6. The names of CHEUNG NG LUN and CHEUNG WOOD LUN hereinbefore mentioned refer to the one and the same person, namely the said deceased.
7. That CHEUNG LOY (張來) alias CHEUNG MAN LOY (張文來) the lawful father of the said deceased pre-deceased him on the 12th day of November, 1954 at Hong Kong Sanatorium and Hospital in the said Colony of Hong Kong.
8. By a Renunciation dated the 4th day of July, 1967 the said DOREEN SO SHUK SZE renounced all her right and title to letters of administration in the estate of the said deceased.
9. Since the death of the deceased, we have made a diligent search

2.

among his papers and effects for any will made by him, but we have been unable to find such will.

10. The estate of the said deceased and the value thereof at the date of his death which by law devolves to and vests in the personal representatives of the said deceased, are as set out in the Estate Duty Commissioner's Schedule of Property filed herein so far as at present can be ascertained. The gross value of the estate amounts to \$300,451.10.

11. To the best of our knowledge information and belief, there is no other property real or personal under any title whatsoever, which by law devolves to and vests in the personal representatives of the said deceased, in respect of which estate duty is payable to the Hong Kong Government upon the death of the said deceased, beyond that to which reference has already been made in the said Schedule of Property filed herein so far as at present can be ascertained.

12. We will well and truly administer and faithfully dispose of all such property and estate, rights and credits as the abovenamed deceased at the time of his death was entitled to within the Colony of Hong Kong, and we will pay whatever debts the deceased did owe, so far as such property and estate, rights and credits, shall extend, and we will exhibit a true and perfect inventory of all and singular the said estate and effects and render a just and true account thereof whenever required by law so to do.

13. Minority interest arises under the intestacy and no life interest arises under the intestacy.

14. I, the said CHEUNG SO YIN KAY, am applying as the ^{✓ natural and} lawful mother of the said deceased and I, the said CHEUNG SHAU LING, am applying as the natural and lawful sister of the said deceased for letters of ad.

Affirmation by
Administratrices
Cheung So
Yin Kay and
Cheung Shau
Ling
27th April, 1972
Exhibit
A (37-71)
(continued)

Affirmation by
Administratrices
Cheung So
Yin Kay and
Cheung Shau
Ling
27th April, 1972
Exhibit
A (37-71)
(continued)

ministration to the said estate.
AFFIRMED by both of the abovenamed Affirmants)
at the Courts of Justice, Victoria, Hong Kong)
this day of 27 APR 1972, 1972 the same)
having been first interpreted to the Affirmants)
in the Cantonese dialect of the Chinese langu-)
age by :

sd. 張嘉玲
sd. 張嘉玲

Sworn Interpreter,
Before me,

A Commissioner &c.

AKWL:DC:BL/120

DOUBLE REGISTERED
Air Mail

20th November, 1972.

Letter from
Lo and Lo to
Doreen S. S.
Cheung
20th November,
1972
Exhibit
A (37-81)

Madam Doreen S. S. Cheung,
79, Gladstone Street,
Kew. Victoria, 3101
Australia.

Dear Madam,

Re: Cheung Ng Lun, deceased.

We refer to our letter of the 27th October, 1972, copy whereof is enclosed herewith. Up to the date hereof we have not yet received any reply from you.

You will appreciate that as it has been over 5 years since the deceased died and the estate comprised of properties which are required by the Hong Kong Government to be redeveloped, it is of the utmost importance for the interest of Cheung Tai Wai, the son of the deceased that Letters of Administration be obtained as soon as possible for the estate to be administered. The Hong Kong Government has required the redevelopment of the properties at Section J of Inland Land Lot No. 746 (No. 6, Canal Road, East) to be completed before June 1973 and failure to comply with such requirement would result in the Crown resuming the property which would mean a great loss to the estate. As redevelopment of the property would involve instructing architect to prepare the necessary plans etc., such preparatory work and the actual construction of the building on the property would involve considerable time. Such works will have to be commenced without delay as there are now only 7 months from the dead-line date set by the Government. However, construction works cannot be commenced without administrators being first appointed and it is therefore of utmost importance that application for Letters of Administration to the estate of the deceased be made immediately. In the event of your refusing to make application for Letters of Administration to the estate of the deceased, Mesdames Cheung So Yin Kay and Cheung Shau Ling will have to apply to Court for an Order to appoint them as administrators of the estate. If we do not hear from you before the 30th November, 1972, our clients will have no alternative but to make application to the Court for an Order to appoint them as administrators of the estate.

We shall therefore be grateful to hear from you.

Yours faithfully,

(*Sd.*) LO AND LO

Letter from
Lo and Lo to
Doreen S. S.
Cheung
25th January,
1973

DC:SF:120

By airmail (Double Registered Post)

January 25, 1973.

*Exhibit
A (37-85)*

Mrs. Doreen S. S. Cheung
1751 Malvern Road
Glen Iris
Victoria 3146
Australia

Dear Madam,

Re: Cheung Ng Lun, deceased.

We thank you for your letter of the 3rd January, 1973.

We wish to make it clear that you and your son David Cheung Tai Wai are the only beneficiaries to the estate of the abovenamed deceased and that you are the person entitled to apply for Letters of Administration (jointly with another person to be nominated by you) in your capacity as the widow of the deceased and guardian of the infant son of the deceased. Although you have renounced your right to apply as the widow of the deceased, you cannot renounce your son's right. In the event that you still persist in refusing to retract your renunciation and to apply for Letters of Administration to your late husband's estate, the only alternative would be for Madam Cheung So Yin Kay and Cheung Shau Ling to apply to court to be appointed as the guardians of the infant son of the deceased for the purpose of making application to the court for Letters of Administration of the estate of the deceased for the use and benefit of the said Cheung Tai Wai and until the said Cheung Tai Wai shall attain the age of 21 years.

You will appreciate that the urgency in this matter is due to the requirement by the Hong Kong Government that the property being No. 6 Canal Road, East (which form part of the estate of the deceased), has to be redeveloped before June 1973 and failure to comply with such requirement would result in the Crown resuming the property which would mean that you and in particular your son would suffer a great loss as the estate of the deceased would be considerably reduced by the loss of the said property.

In view of the above, we shall be glad if you will let us know within 21 days from the date hereof, whether you wish to apply for retraction of your renunciation and to apply for Letters of Administration of the estate of the deceased. If we do not hear from you before the 15th February 1973, Madam Cheung So Yin Kay and Cheung Shau Ling will have to apply to court for order to appoint them as administrators of the estate.

We shall be glad to hear from you as soon as possible.

Yours faithfully,

(Sd.) LO AND LO

Our Ref: DC:BL/120

By DOUBLE REGISTERED
Air Mail

Letter from
Lo and Lo to
Doreen S. S.
Cheung
22nd February,
1973
*Exhibit
B(15)*

22nd February, 1973.

Mrs. Doreen S. S. Cheung,
1751 Malvern Road,
Glen Iris, 3146
Victoria,
Australia.

Dear Madam,

Re: Estate of Cheung Ng Lun, dec'd.

We refer to your letters of the 12th & 16th February, 1973 and would like to explain the situation once more as clearly as possible:—

1. You and your son David Cheung Tai Wai are the only beneficiaries to the estate of the deceased irrespective of who the Administrators may be.
2. You have renounced your right as the widow of the deceased to apply to the estate of the deceased.
3. You are the statutory guardian of your son and is entitled to apply for Grant of Letters of Administration on his behalf. You are not able to renounce your son's right on his behalf as he is still an infant.
4. The property at No. 6 Canal Road East is required by the Government to be redeveloped before June 1973 and failure to comply with such requirement would result in the Crown resuming the property which would mean that you and in particular your son would suffer a great loss as the estate of the deceased would be reduced by the loss of the property.
5. If you wish to apply for Letters of Administration, you have to apply to Court to retract your renunciation and after the Court has granted such an Order, then to nominate another person as a co-administrator to apply jointly with you for Letters of Administration of the estate of the deceased. (A co-administrator is required where there is minor interest under an intestacy.)

Letter from
Lo and Lo to
Doreen S. S.
Cheung
22nd February,
1973

*Exhibit
B (15)*

(continued)

6. If you are not willing to retract your renunciation and to apply for Letters of Administration, then to prevent the resumption of the property at No. 6 Canal Road East by the Government, Mesdames Cheung So Yin Kay and Cheung Shau Ling will apply to Court for an Order to appoint them as administrators of the estate for the use and benefit of the said David Cheung Tai Wai until he shall attain the age of 21 years.

You will appreciate that as time is very pressing, prompt action is required. Although it is possible for you to apply for Order to retract your renunciation and subsequently to apply for Letters of Administration by post i.e. by asking your lawyer to send you the necessary papers for execution and then returning the documents to your lawyer for filing with the Court, you will appreciate that this would incur considerable time and if you decide to take this course of action, it would be advisable for you to come to Hong Kong to make the necessary application. However, you should consult your lawyer in this matter.

Bearing in mind the time limit imposed by the Government for the completion of the redevelopment of the property at No. 6 Canal Road East, it is in the interest of your son and yourself that application for Letters of Administration to the estate of the deceased be made without further delay. The only reason why a deadline date has been set is because time is running short. We shall therefore be grateful if you will let us know whether you intend to apply for retraction of your renunciation and for Letters of Administration of the estate of the deceased before the 7th March 1973 and if we do not hear from you on that date, we would presume that you do not wish to apply for Letters of Administration in which event Mesdames Cheung So Yin Kay and Cheung Shau Ling will apply to Court for an Order to apply as administrators to hold the estate for the benefit of David Cheung Tai Wai until he attains the age of 21 years.

Yours faithfully,

(Sd.) LO AND LO

P.S.: A copy of this letter
has been forwarded to your
Solicitors, Messrs. Tso & Co.

AKWL:DC:1m1:120

L.O. 259/351/64 Letter from
Lo and Lo to
Land Office
11th April, 1973
*Exhibit
A (37-92)*

By Hand

The Registrar General,
The Land Office,
Central Government Offices,
(West Wing) 11th floor,
Hong Kong.

Dear Sirs,

Re: Demolished Buildings (Redevelopment
of Sites) Ordinance
Redevelopment Order No. 65 of 1964
6 Canal Road East, Hong Kong —
I.L. 746 s.J.

We are acting for Madam Cheung So Yin Kay who is the mother of the late Cheung Ng Lun, deceased who at the date of his death was the registered owner of the above properties.

The above deceased died intestate on the 19th day of March, 1967 leaving him surviving a widow, Mrs. Doreen So Shuk Sze Cheung and an infant son Cheung Tai Wai then aged 3 years.

After the death of the deceased, on the 4th day of July 1967 the said widow renounced her right to the Letters of Administration of the estate of the said deceased and then emigrate to Australia with the said infant son.

Our client then instructed us to apply for Letters of Administration of the estate of the said deceased, and up to now, the Letters of Administration of the said estate has not been granted, by reason of the fact that the Official Administrator requires that the said widow should retract her said Renunciation and then join in the application for Letters of Administration of the said deceased or appoint an nominee as co-administrator to apply for the grant with our client; great efforts have been made to persuade the said widow to comply with the Official Administrators, but up to date our client has not been successful. However, we have approached the widow's solicitors Messrs. Tso & Co. to ask her whether she would comply with the said requirements of the Official Administrator but has not yet heard from Messrs. Tso & Co.

Letter from
Lo and Lo to
Land Office
11th April, 1973

*Exhibit
A (37-92)*

(continued)

When our client signed the confirmation upon your grant of extension of time to fulfil the above order, both she and we as well anticipated that the Letters of Administration would be granted shortly, so she signed the confirmation.

Our client does not wish to aggravate the unhappy differences between her and the said widow, by applying to Court for an order for Letters of Administration until all other means have been explored in getting the said widow to join in the said application. Therefore our client will wait for the reply from Messrs. Tso & Co. and if such reply is not received by the end of this month or such reply is not satisfactory, then our client has no alternative but to take necessary court action.

Without the Letters of Administration, our client cannot proceed with the rebuilding of the houses on the said properties.

Therefore our client now applies to you for an extension of 12 months from the date of the date of grant of Letter of Administration of the estate of the said Cheung Ng Lun, deceased to fulfil the above order.

Yours faithfully,

(Sd.) LO AND LO

Our Ref: DC/CW/120

Your Ref: No. 2088/73 Letter from
EL:IL Lo and Lo to
Chartered Bank
Hong Kong
Trustee Ltd.
May 21, 1973 21st May, 1973
*Exhibit
B(19)*

By Hand

The Manager
The Chartered Bank Hong Kong Trustee Ltd.
309 Chartered Bank Building
Hong Kong

Dear Sir,

Re: Cheung Ng Lun, deceased.

We refer to your letter of 2nd May, 1973 and are instructed by our client to send you herewith copy of the Certificate of Receipt of Estate Duty and Schedule of Property of the above estate.

We are further instructed by our client that she has paid out of her own pocket certain expenses, e.g. estate duty, rates, compensation to tenants etc. relating to the above estate. Please note that such payments are debts due by the above estate to our client. Details of such payments will be sent to you in due course.

Yours faithfully,

(*Sd.*) LO AND LO

Encls. (2)

Letter from
Chartered Bank
Hong Kong
Trustee Ltd. to
Lo and Lo
6th June, 1973
*Exhibit
B (22)*

No. 2867/73

6th June 1973.

Messrs. Lo & Lo,
Solicitors & Notaries Public,
Jardine House,
7th floor,
Hong Kong.

Dear Sirs,

Estate of Chung Ng Lun, deceased.

We thank you for your letter of the 31st May 1973 together with enclosures.

We confirm that we now have instruction from Mrs. Doreen Cheung to deal with the administration of the above estate and have been requested by her to approach Messrs. Tso & Co. for their assistance in handling the legal formalities relating thereto.

We shall therefore be obliged if you will kindly release the relevant documents to them.

As to the reimbursement of your client's advancement to the above estate and your costs and disbursements in the matter, we shall be pleased if you will let us have the relative account and we undertake to effect payment as soon as part of the estate is realized.

Yours faithfully,

EDMUND LEE
Manager

BM/ckc

7th. July, 1973. Letter from
Tso & Co. to
The Office of
Building
Authority
7th July, 1973
*Exhibit
B (26)*

Our Ref : TKY/127/73.

Your Ref : BOO DB 83/64/HK.

The Office of the Building Authority,
Public Works Department,
Murrey Building, 8th Floor,
Hong Kong.

Dear Sirs,

Re: Demolished Buildings (Redevelopment of Sites)
Ordinance — Redevelopment Order No. 65 of 1964.
(6, Canal Road East, Hong Kong — I.L. 746 s.J.)

We beg to refer to the telephone conversation between Mr. G. F. Hogg and our Mr. K. Y. Tso on Thursday the 6th July 1973 and to confirm the following matters transpired or discussed during the telephone conversation:—

1. Cheung Ng Lun the registered owner of the above property died in or about 19th March 1967 intestate leaving surviving his widow Doreen So Shuk Sze and an infant son.
2. After his death his widow executed a Renunciation of her right to apply for a grant in respect of his estate and thereafter left the Colony with her infant son.
3. The mother of the deceased has been for the past 6 years attempting to apply for a grant from the Supreme Court of Hong Kong but the application has not been successful presumably because the infant son has not renounced his right and no one can renounce his right on his behalf. The widow has now determined to apply for a grant although she is still residing in Australia.
4. We are informed that The Chartered Bank Trustee Limited has been instructed by the widow to take all necessary measures to apply for a grant, including instructing solicitors and preserving the above property in the estate.

Letter from
Tso & Co. to
The Office of
Building
Authority
7th July, 1973
*Exhibit
B (26)
(continued)*

5. As far as we are concerned we have formal instructions to act for The Chartered Bank Trustee Ltd., and therefore our client is the corporation and not the widow herself.
6. Legal proceedings must first be taken in the Supreme Court to withdraw the Renunciation before a grant could be applied for, and as requested by Mr. Hogg we do confirm that we have already started taking actions.
7. The legal proceedings and the subsequent application are by no means straight forward and time is an indispensable element.
8. By reason aforesaid, our Mr. Tso has verbally requested for an extension of time to enable the widow's agent The Chartered Bank Trustee Ltd., to take the necessary actions on behalf of the widow, Mr. Hogg stated that he would consider granting one year's extension if the above were confirmed in writing.

We shall be obliged if you will let us know if an extension is granted.

Yours faithfully,

c.c. The Manager,
The Chartered Bank Trustee Ltd.,
Hong Kong.

25-27, Tai Shek St., 3rd fl.,
Sai Wan Ho, Hong Kong.
September 17, 1973.

Letter from
Cheung So
Yin Kay to
Lo and Lo
17th September,
1973
*Exhibit
A (37-110)*

Messrs. Lo & Lo, Solicitors & Notaries Public,
Jardine House, 7th fl.,
Hong Kong.

Dear Sirs,

Re: Cheung Ng Lun, deceased.

I have received the copy letters from you by Messrs. Tso & Company, Solicitors dated Aug. 23, 1973 and by Land Office dated Sept. 4, 1973.

The property tax of Cheung Ng Lun had already paid. On July 4, 1967. Cheung So Shuk Sze signed to renounce all her right and title to the letters of administration of the estate of the said deceased in your office. And on Jan. 3, 1973, the contents of her letter was that she did not wish to retract her renunciation and she did not wish to apply for letters of administration to her deceased husband's estate. Hence, from July 4, 1967 it can prove that her lawful mother Cheung So Yin Kay and lawful sister Cheung Shau Ling have authorized to become lawful property representative. The representatives have already sent the application forms, if the application for letters of administration to the estate is allowed the re-development of Nos. 6 & 7 Canal Road East will immediately proceed.

Thank you.

Yours sincerely,

CHEUNG SO YIN KAY



IN THE SUPREME COURT OF HONG KONG

Grant of Letters of Administration 16th November, 1973

Exhibit B (42)

Estate Duty and Interest \$ 16,350.35

PROBATE JURISDICTION

LETTERS OF ADMINISTRATION

Sworn under \$ 298,500.00

BE IT KNOWN that on the 16th day of November ... Letters of Administration of all and singular the real and personal estate and effects of CHEUNG NG LUN (張五倫) alias CHEUNG WOOD LUN (張浩倫) late of No.25, Tai Shek Street, 3rd floor, Sai Wan Ho in the Colony of Hong Kong, Merchant, deceased, ... who died on the 19th day of March One thousand nine hundred and sixty seven on arrival to Queen Mary Hospital in the said Colony of Hong Kong, ... Victoria-aforesaid, intestate, were granted to THE CHARTERED BANK HONG KONG TRUSTEE LIMITED of Room 309, The Chartered Bank Building, Des Voeux Road Central, Victoria in the said Colony of Hong Kong, under the authorisation of DORSEN SO SHUK SZE (蘇淑苑), the lawful widow and relict of the said deceased, EDMUND LEE, Trust Officer, for and on behalf of the said Bank, ...

Extracted by Messrs. Tso & Co.

- - having been first affirmed well and faithfully to administer the same by paying the just debts of the said deceased and distributing the residue of his estate and effects according to law and to exhibit a true and perfect Inventory of all and singular the said estate and effects and to render a just and true account thereof whenever required by law so to do. (limited until CHEUNG TAI WAI "張大衛", the deceased's infant son shall apply for and obtain a like grant.)

A schedule of the property of the deceased in respect of which Estate Duty has been paid is annexed hereto.

(S. H. Mayo)

Acting Deputy Registrar.

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Grant of Letters of Administration 16th November, 1973

Exhibit B (42)

(continued)

Ref: E.D. No. 453/67

SCHEDULE of the property disclosed on the death of

CHEUNG NG LUN (.....) alias CHEUNG WOOD LUN (.....)

deceased in respect of which estate duty has been paid on that death.

1. Cash in the house.....	\$ 50.00
2. Credit balance of Current Account No. 2349 with The Shaukiwan Branch of Chartered Bank in the joint names of the deceased and So Shuk Sze \$1,500.00 1/2 share thereof	750.00
3. Deposits with Paterson Service Co. Ltd. under Receipt Nos. B2555, 2545, 2167 and 2201	200.00
4. Deposit with Kum Hing Investment Co. Ltd. under Receipt Nos. 2504 and 2428	49.10
5. Household goods & personal effects	200.00
6. One old wrist watch	50.00
7. Land & Buildings, (a) 1/28th of the Remaining Portion of Inland Lot No. 470 (Great George Building, Flat "C1" 2nd floor)....	49,000.00
(b) Section J of Inland Lot No. 746 (Nos. 6 and 7 Canal Road East)	250,000.00
8. Refund and Salary Tax for the year of assessment 1966/67 due by Hong Kong Government	152.00
9. Deceased's claim in bankruptcy proceedings against Nam Shark, Wong Yau and Yau Siu Yu	nil
Principal value of estate	\$ 300,451.10
Less deductions	2,000.00
Net principal value of estate	\$ 298,451.10

(S.S.)

(Andrew Ng Kwok-cheung)
Deputy Estate Duty Commissioner,
2nd September 1969.

The commissioner expressly warns all companies, banks, firms, shops and other persons to whom this Schedule may be presented against dealing with any property of the deceased not set out therein.

本官特為聲明凡收受本表之銀行公司店舖及一切人等對未列入本表內之死者遺產不得擅行處置

Letter from
Cheung So
Yin Kay to
Cheung So
Shuk Sze
31st December,
1973
Exhibit
B (43)

Doreen Cheung So Shuk Sze,
1751, Malvern Rd., Glen Iris,
Victoria 3146,
Australia.

25-27, Tai Shek St., 2/f.,
Shauiwan, Hong Kong.
Dec. 31, 1973.

Dear daughter-in-law,

Re: Cheung Ng Lun's Estate (deceased)

- (a) 1/280th of R.P. of I.L. No. 470
Flat "C" on 2nd floor of Great George Bldg.
- (b) Sec. J of I.L. No. 746,
Nos. 6 and 7 Canal Road East).

Herewith photostat copies of letters by Messrs. Tso & Co. and Messrs. Lo & Lo, Solicitors, H.K.

You will note that Letters of Administration (Grant No. 1399 of 1973) of the estate of the abovenamed deceased has been granted to our local The Chartered Bank Hong Kong Trustee Ltd. In the circumstances, please think it over again and it is preferred that since you are one of our family members and that David Cheung is our natural and lawful grandson, it is quite natural that the estate of Ng Lun should be administered by his family members having blood relationship, particularly the fact that I am only acting as the stakeholder and that the properties will eventually belong to you and David Cheung, please write a letter to Messrs. Tso & Co., Solicitors, Hong Kong instructing them to cancel the said appointment of The Chartered Bank Hong Kong Trustee Ltd. as the authorised agent of yourself (with copies to me and to the said The Chartered Bank) and in their stead appoint me as the authorised agent of yourself to administer the above estate. As to the fees for so doing, I undertake to pay in Hong Kong.

I shall come over to your place to visit you and my grandson as soon as I have time. I hope you and David are enjoying excellent health and comfort.

Yours faithfully,

(*Sd.*) 祖母張蘇燕琦

Our Ref : TKY/127/73.

2nd. January, 1974. Letter from
Tso & Co. to
The Land
Officer
2nd January,
1974
*Exhibit
B (44)*

Your Ref : L.O. 259/351/64.

The Land Officer,
Land Office,
Registrar General's Department,
Hong Kong.

Dear Sirs,

Re: Cheung Ng Lun *alias* Cheung Wood Lun, deceased.
Demolished Buildings (Redevelopment of Sites)
Ordinance, Redevelopment Order No. 65 of 1964.
(I.L. No. 746 s.J. — Nos. 6-7 Canal Road, Hong Kong).

We refer to your letters dated 4th September 1973 and 22nd November 1973.

A grant of Letters of Administration has now been issued to our client The Chartered Bank Hong Kong Trustee Limited and order has been made limiting time for creditors to send in their claims. Our client is in a position to make a decision concerning the property Nos. 6-7 Canal Road.

Our client has realised that the finance of the estate may not be sound enough to re-develop the property and their limited power of a trustee might not extend to re-development of the property unless special power is granted by the Court. Application to Court for power of re-development will in turn necessarily require evidence of the scheme and the finance for the redevelopment. This of course will also require time.

In view of the foregoing and for the interest of the infant beneficiary, our client intent to have the above property sold.

We are instructed to apply to you, which we hereby do, for your consent for our client to sell the property subject to Re-development Order No. 65 of 1964.

If in principle consent could be given, further details of the mode of sale will be submitted.

Yours faithfully,

c.c. The Director of Public Works,
Office of the Building Authority,
Public Works Department.

Messrs. Way and Sun,
Architects & Surveyors,
Hong Kong.

Letter from
Lo and Lo to
Chartered Bank
(H.K.) Trustee
Ltd.
21st January,
1974
*Exhibit
B (46)*

Our Ref : AKWL:SF:120

Your Ref : No. 2867/73

By Post

January 21, 1974.

The Manager
The Chartered Bank (HK) Ltd.
Chartered Bank Building
Hong Kong

Dear Sirs,

Re : Cheung Ng Lun, deceased.

We refer to our previous correspondence herein and in particular to our note of charges No. Q 6428 dated January 2, 1974 addressed to Madam Cheung So Yin Kay and copied to you.

We would draw your attention to the last paragraph of your letter dated June 6, 1973 in which you undertake to pay our client's advancement to the above estate and our costs and disbursements in the matter and shall be grateful if you will let us have your cheque in settlement of the same at your earliest convenience.

Yours faithfully,

(*Sd.*) LO AND LO

23rd February, 1974. Letter from
Gordon
Hampton &
Winter to
Tso & Co.
23rd February,
1974
*Exhibit
B (49)*

Your Ref : TKY/127/73.

Our Ref : GH/C-7/74.

Messrs. Tso & Co.,
Solicitors,
Rm. 202 Commercial House,
35 Queen's Road C.,
Hong Kong.

U R G E N T

Dear Sirs,

Estate of Cheung Ng Lun, deceased.

We have received instructions to act on behalf of Madam Cheung So Yin Kay in place of Messrs. Lo & Lo in connection with the Estate of the abovenamed deceased. Numerous points of law arise in connection with our client's position and we are taking Counsel's urgent opinion thereon but meanwhile we are instructed to put forward our client's claim, in view of the time limit on claims, that she is the beneficial owner of the properties in name of the deceased and that he was holding these properties on her behalf, as trustee only in the alternative that our client has a claim against the Estate for the purchase price of these properties. Time does not permit us to give a quantification of our client's claim but this will be forwarded to you so soon as the amount has been established, and we have received Counsel's opinion. In addition our client instructs us to object formally to the grant of Letters of Administration in the Estate.

Yours faithfully,

(*Sd.*) GORDON HAMPTON & WINTER

Letter from
Gordon
Hampton &
Winter to
Chartered Bank
(H.K.) Trustee
Ltd.
18th March,
1974
Exhibit
B (42)

18th March, 1974.

Your Ref : 1415/74.

Our Ref : GH/C-7/74.

The Chartered Bank Hong Kong Trustee Ltd.,
309 Chartered Bank Building,
Hong Kong.

Attention : Mr. Edmund Lee

Dear Sirs,

Re : Estate of Cheung Ng Lun, deceased.

With reference to our discussion on 6th of March in your office, we have now been advised by Counsel to write to you formally to inform you that our client Mrs. Cheung So Yin Kay otherwise known as Madam So Yin Kay claims to be the sole person beneficially entitled to the properties : —

- (a) 1/250th of the R.P. of I.L. No. 470 (Great George Building, Flat "C" -I- 2nd floor).
- (b) S.J. of I.L. No. 746 (Nos. 6 & 7 Canal Road East)

and that accordingly such properties do not form part of the estate of the abovenamed deceased.

We are also advised by Counsel that no attempt should be made to distribute these properties as part of the estate until the matter has been settled.

Our client is at present contemplating an action in the Supreme Court for appropriate declarations.

Yours faithfully,

(*Sd.*) GORDON HAMPTON & WINTER

Ref. : M 120/60

23rd April, 1974. Letter from
Castle Peak
Hospital to
Gordon
Hampton &
Winter
23rd April, 1974
*Exhibit
A (44)*

CONFIDENTIAL

Gordon Hampton & Winter,
Solicitors & Notaries,
Trade Marks & Patents Agents,
809, Tak Shing House,
20, Des Voeux Road, C.,
Hong Kong.

Dear Sirs,

Re: Deceased patient Joseph Cheung.

Further to our conversation Mr. Winter/Pang on 19th April, 1974 it is agreed that a brief record regarding the above-named's admission to Castle Peak Hospital will be issued to you.

Mr. Cheung was admitted to the Old Mental Hospital at High Street on 11.9.58 for treatment of a Schizophrenic illness. He was at that time 23 years old and subsequently discharged on 23.5.60 from the Hospital. We had not heard from him since.

For your information please.

Yours faithfully,

(DR. W. L. PANG)
Asst. Medical Superintendent.

WLP: tl

In the Privy Council

ON APPEAL
FROM THE COURT OF APPEAL OF HONG KONG

BETWEEN

CHEUNG SO YIN KAY *Appellant*

and

THE CHARTERED BANK HONG KONG
TRUSTEE LIMITED *Respondent*

RECORD OF PROCEEDINGS

CHOW & HOWELL
Solicitors for the Appellant

DEACONS
Solicitors for the Respondent